The Development Of Small Craft-Based Businesses In Scotland

Thesis

"The development of small craft-based businesses in Scotland"

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Abstract

As it had been found that there was little authoritative published evidence regarding the crafts in Scotland, this research programme was initiated in 1975 to rectify that situation.

The subjects were broadly defined as being self-employed, engaged in all aspects of the craft business and within the range of skills and creativity which combine to form the commonly accepted basis of a craft.

Within the overall objective, emphasis was placed on the identification of the craftsmen and craft businesses, of the major influences upon them and on the general trends. From the combined results it was anticipated that development potential might be assessed.

The co-operation of bodies such as the Scottish Development Agency was sought and received, providing invaluable source material, and leading to the development of an index of craft businesses. That index, up-dated annually throughout the four-year period of research, was the basis for analysis of elements such as the movements in craft population, physical distribution and the numerical strengths of the individual crafts. Such analysis established a clear relationship between the location of craft businesses and population density, found the largest craft groups to be ceramics, silversmithing and jewellery and weaving, and identified an increase in the craft business population between 1975 and 1977 and a decrease in 1978.

A pilot survey in 1976 confirmed the feasibility of a survey which was conducted in 1977. The survey results established the importance of these businesses in terms of employment and contribution, and identified the strong characteristics of independence and personal association with the craft on the part of the proprietors. The principal influences externally were found to be those exerted by market forces, the attitudes adopted by the retail trade, the policies adopted by government agencies responsible for the crafts, and internally by the background training, experience and motivation of the proprietor. It was found, despite the rich variety of backgrounds and the lack of training and experience of many, that there were insufficient features which could adequately distinguish the performance potential in a business at this point in time.

The strategy being adopted by the Scottish Development Agency, as one of the principal planners and administrators for the crafts, of directing assistance towards entrants with assessable levels of training and of exerting pressure towards improved standards, was noted.

It was therefore concluded that an alternative staged strategy should be adopted - of improving basic knowledge of factors such as the reasons for failure in business; of providing a broad base of assistance in the initial stages of a business with more specialised and appropriate assistance being made available as the business develops according to the capability and motivation of the proprietor.

Notes

The Index

As approval to investigate and record information from the Scottish Development Agency and other bodies was gained on an assurance that such information would be kept on a confidential basis relating to individuals, detailed information is not recorded in this Thesis. The Index will be available for assessment purposes only.

The Survey

Similarly, as subjects agreed to interview on the basis of confidentiality detailed survey results which could be identified against individuals have not been included in the Thesis. The Questionnaires will be available for assessment purposes only.

CHAPTER 1

Objectives and Scope of Research

Chapter 1

Objectives and Scope of Research

1.1.1. Personal involvement in the craft field is the motivating factor for this programme of research into the craft based businesses in Scotland.

From the early 1970's, with some ten years of intensive involvement in an educational and practical capacity within the crafts in Scotland, it became clear that many statements were being made about the crafts as a whole and about craftsmen which could be neither supported nor repudiated by evidence.

Perhaps of greatest consequence was the sense of lack of direction emanating from bodies and institutions which, by tradition, were expected to provide such direction. At that time, for example, the Scottish Education Department with responsibility for degree equivalent courses in art and design were still thinking almost exclusively in terms of teaching as the end-product of their courses for painters, sculptors, designers and craftsmen alike. Only occasionally was an industrial end-product envisaged and indeed there was evidence of positive discouragement of entry into industry and scepticism of self-employment opportunities.

Among existing craftsmen too there was uncertainty evidenced by conflicting views on elements such as the degree of 'commercialism' needed for survival and the 'artistic compromises' which were considered by many to be unacceptable. Views expressed by individual craftsmen, purported to be those of craftsmen as a whole, were frequently contradictory and without supporting evidence.

Within this environment it became clear that for a variety of purposes information was necessary and on occasions imperative.

1.1.2 The programme of research was initiated with the objective of establishing within the Scottish context answers to a number of questions:

i) Who are the craftsmen?

ii) What are the major influences on them?

iii) What trends or patterns, if any, can be identified relating to numbers, location and personnel over a period of approximately 4 years?

iv) What is the development potential?

1.2.1 Next, it is necessary to define the scope of research.

The physical boundaries are clear - research being exclusively concerned with the craft businesses in Scotland and with information from other countries or areas considered for comparative purposes only. The people and work associated with the word 'craft' are not as simply defined. Bolton (1971) points to the arbitrary division between "small scale producers of articles of high quality in a number of different, usually traditional, media" (1) and those who are employed in industry "who practise craft skills" (1) - the former being generally regarded as craftsmen primarily because they are self-employed. A case, George Hensher Ltd v Restawile

Upholstery (Lancs) Ltd (1974), submitted to the House of Lords as an appeal concerning copyright produced an interesting and relevant contribution in judgement from Lord Simon of Glaisdale:

> " "Craftsmanship", particularly when considered in its historical context, implies a manifestation of pride in sound workmanship - a rejection of the shoddy, the meretricious, the facile. But the craftsmanship - not the work itself - must, in addition, be artistic. Before turning to the various criteria which have been propounded it may be helpful to consider some examples. A cobbler is a craftsman, and those in the Arts and Crafts movement would have valued his vocation as such. But neither they, nor anyone else using the words in their common acceptation, would describe his craftsmanship as artistic, or his products as "works of artistic craftsmanship". A dental mechanic is a similar example: so is a pattern-maker, a boiler-maker, a plumber, a wheelwright, a thatcher. At the other extreme is the maker of hand-painted tiles. He too is a craftsman; but his craftsmanship would properly be described as artistic and his products as "works of artistic craftsmanship". In between lie a host of crafts some of whose practitioners can claim artistic craftsmanship, some not - or whose practitioners sometimes exercise artistic craftsmanship, sometimes not. In the former class, for example, are glaziers. The ordinary glazier is a craftsman, but he could not properly claim that his craftsmanship is artistic in the common acceptation. But the maker of stained glass windows could properly make such a claim; and, indeed, the revival of stained glass work was one of the high achievements of the Arts and Crafts movement. In the latter class is the blacksmith - a craftsman in all his business, and exercising artistic craftsmanship perhaps in making wrought-iron gates, but certainly not in shoeing a horse or repairing a ploughshare. In these intermediate - or rather, straddling - classes come, too, the woodworkers, ranging from carpenters to cabinet-makers: some of their work would be generally accepted as artistic craftsmanship, most not. Similarly, printers, bookbinders, cutlers, needleworkers, weavers - and many others. In this straddling class also fall, in my judgment, the makers of furniture. Some of their products would be, I think, almost universally accepted as "works of artistic craftsmanship"; but it would be a misuse of language to describe the bulk of their products as such. Where and how is the line to be drawn?" (2)

These considerations presented by Lord Simon as part of his judgement effectively pose the question and provide the answer.

This research is not intended to provide a judgement on craftsmanship - it is intended to establish knowledge and information about a group of people who derive their living, or the greater part of it, from their own business which is engaged in the production of articles by a craft process in which they have a degree of skill. The fact, noted by Bolton, that they operate their own businesses is critical. The skilled employee is normally engaged in the production of prescribed articles or even parts of articles whereas the self-employed craftsman carries the total responsibility for all aspects of that article including the design and creative elements. Nor do they include cobblers or glaziers but will, because of the common acceptance noted by Lord Simon, include leather workers and stained glass artists. Therefore, virtually by process of elimination rather than positive identification, I propose to limit the scope of research to those who create their own employment within a discipline which is commonly accepted as a craft.

1.2.2 Finally, there is the problem of scale. Bolton (1971) included businesses employing up to 200 people as small firms. Preliminary investigation with the Small Industries Council for Rural Areas of Scotland suggests that employment of up 50 people would be more appropriate in Scotland and in the case of a craft business would cover almost all situations. Given the definition reached under para 1.2.1. employment on this scale would certainly appear adequate.

1.3.1 The pattern of presentation is as follows:-

Chapter 2: investigation and assessment of the prime sources of information from Government and professional bodies associated with the crafts to general literature on the subject area.

Chapter 3: description of action taken to record base information; assessment of findings over a period of four years relating to general factors such as the number of craft businesses, craft groupings and locations.

Chapter 4: consideration of the need to obtain direct evidence from craftsmen over a range of factors; description of arrangements for a pilot survey, assessment of the results of that survey and description of preparations for a major survey.

Chapter 5: description of the survey results; detailed analysis of specific individual results and consideration of related factors.

Chapter 6: assessment of the overall findings and of the development potential, leading to the final conclusions.

1.3.2 Examples of my own craft work undertaken during the period are contained in Appendix A.

CHAPTER 2

Investigation of potential sources of information on Scottish Craft Businesses

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Investigation of potential sources of information on Scottish Craft Businesses

2.1.1 The potential sources of information related to the craft businesses were considered and listed as follows:-

a. Government and local government bodies and agencies.

b. Craft societies and associations.

c. Professional bodies associated with crafts.

d. General statistical sources.

e. Special reports and general literature on the subject.

2.2.1 Initially two main bodies or agencies were identified as having, between them, a large measure of responsibility for these businesses in Scotland.

Firstly, the Highlands and Islands Development (Scotland) Act, 1965 made provision for the establishment of a Board (HIDB) with the wide remit of assisting the people of the area to improve their contribution to the nation as a whole. Perhaps the most succinct appraisal of that remit and the early experience of the Board is contained in their Annual Report (1970) in the words of their Chairman of some two months, Sir Andrew Gilchrist.

> "..... For this task it has a range of tools and procedures at its disposal. It can intervene at its own hand in economic affairs in such ways as the provision of hotels in the islands, and by building factories, both bespoke and advance. It can commission surveys and research in a region where natural resources are by no means adequately explored but must nevertheless be exploited if full development is to be achieved.

But the most important tool and the one most widely used is the right to issue public money by way of grant, loan or equity participation in support of what the Board regards as beneficial enterprises likely to contribute to its main objective.

In some respects, the Board resembles a small merchant bank. But there is this important difference, that whereas the success of the merchant bank can be measured in cash by an accountant, in the case of the Highland Board it is for all practical purposes only the failures that can be so measured. That is because we are (in effect) a merchant bank with a social purpose: our successes become part of the way of life of the people and are much less easy to quantify. Some of them can be enumerated, in terms of fishing boats, engineering and processing plants, boarding houses and bathrooms; but the general impact on the social and economic state of the Highlands and Islands is much harder to assess."

Study of the Annual Reports of the HIDB from 1970 onwards yielded information of a general nature. The Report for the year 1970 indicated that special attention had been given to the establishment of craft production units in remote locations. Cases were cited of financial assistance to craft businesses. An outline was provided of general assistance in terms of production and marketing and an agreement noted of a commitment to encourage art graduates to enter the craft industry. In 1971, the first Highlands and Islands Trade Fair at Aviemore was recorded. While commitment to the encouragement of art graduates and the development of craft units was reiterated this Report is probably of major importance because of the recording of the first impact of North Sea Oil. Thereafter, reference is contained within the Reports to specific events and policies such as:-

1972 : Introduction of the "Craftmade" Scheme.
Establishment of Balnakeil Craft Village.
First editions of "Craftwork".

1973 : Financial assistance provided to 10 new craft businesses.

1974 : Financial assistance provided to 20 new craft businesses.

1975 : Financial assistance provided to 14 new craft businesses.
Commissioning of feasibility study for a training centre to be established in the Highlands and Islands.

1976 : Financial assistance provided to 10 new craft businesses.
Reference to the continuing study of training centre plan.

1978 : Highland Craftpoint approval
Financial assistance provided to 21 new craftsmen.

These extracts provide evidence of policy, major developments and to limited degree information on the growth of new craft businesses. Howevever, the Reports do not provide evidence of total numbers nor is it possible to extract components such as expenditure specifically related to craft businesses from the financial statements.

2.2.2 Secondly, the Small Industries Council for Rural Areas of Scotland (SICRAS), a body which had replaced the Scottish Country Industries Development Trust and which itself during the course of this research was replaced by the Scottish Development Agency. SICRAS was established in 1969 to provide a range of consultancy, technical instruction and credit services for small firms in the country towns and rural districts of Scotland with funding provided by the Treasury.

The best description and definition of the role and parameters ascribed to the Council are contained in their Annual Report (1971/72) as follows:

> "The Council is charged with the promotion and development of small industries and crafts in rural areas of Scotland.
>
> In practical terms, a small industry can be an individual or a small company engaged in manufacturing, craftwork, or, supplying a supporting service to other industries. It is, in the main an enterprise where the proprietor himself is responsible for every function of management and where it is impracticable to employ specialist staff to tackle specific problems of administration, production, technology, accountancy or marketing.
>
> The business may well be established or starting from scratch, and it is eligible for Council assistance so long as it meets one or more of the following conditions:-
>
> 1. It provides employment in a rural area.
> 2. It has a good prospect of development.
> 3. It can either make a contribution to exports, either directly or by import substitution.
> 4. It is helping to preserve special technical skills or crafts.
>
> Agriculture and horticulture are not in themselves eligible for assistance. All the Council services are available to firms in country areas, small towns and burghs, but not in the cities of Aberdeen, Dundee, Edinburgh, the Glasgow conurbation, or the industrialised areas of Central Scotland.
>
> In the seven crofting counties which are served by the Highlands and Islands Development Board the Council provides only trade instruction and advice on craftwork." (4)

Therefore, in terms of services and financial assistance, the Council clearly had a wide remit over most of Scotland but with reduced responsibility within the HIDB area and with no responsibility whatsoever for the major urban areas. Study of SICRAS Annual Reports from 1967 provide an interesting contrast to those of the HIDB in terms of the kind of information provided. A summary of these Reports (fortunately obtained in the first year of research and prior to the demise of SICRAS) shows the following:-

1969 : (The First Year) The establishment of an index of craft businesses.
Statement of some 700 small craft businesses in Scotland.
Statement of provision of 1,600 jobs provided by them.
Report of provisions for the technical and business training of craftsmen, a liaison with the Scottish Craft centre and the provision of an experimental apprenticeship training scheme.

1972 : Statement of over 800 small craft businesses in Scotland.
Reports on the Apprenticeship Training Scheme, a Bursary Scheme and a Craft Entrants Scheme.

1973 : Report on the first Scottish Crafts Trade Fair (Ingliston).
No reference to the number of craft businesses in Scotland.

1974 : A major statement on Scottish Crafts including the following:

Statement of 1000 craftsmen on Council records.
Statement of an estimated £8 million contribution.
Statement of concern regarding the number of organisations involved in Scottish Crafts and the lack of overall financial control.

1975 : Statement detailing grants awarded to craftsmen.
No statement on numbers, employment or financial contribution.

It can therefore be said that SICRAS as a source had much more basic information available even though that information was not consistent.

As previously stated, SICRAS was in effect to become part of the Scottish Development Agency in 1976. There is, understandably, a gap in the information provided with the brief SDA First Report merely acknowledging the inherited plans of SICRAS and indicating that their Small Businesses Division was likely to take on increased responsibility for the crafts in Scotland.

2.2.3 The Scottish Development Agency Act 1975 which brought the Agency into being in December 1975 granted powers well beyond those governing SICRAS even within the related crafts area. The overall purposes and functions attributed to the Agency in the Act include the following:-

a. furthering economic development;

b. the provision, maintenance or safeguarding of employment;

c. the promotion of industrial efficiency and international competitiveness; and

d. furthering the improvement of the environment.

And Functions:-

a. providing or assisting in the provision of finance to persons carrying on or intending to carry on industrial undertakings;

b. carrying on, or establishing and carrying on, whether by themselves or jointly with any other person, industrial undertakings;

c. otherwise promoting or assisting the establishment, growth, reorganisation, modernisation or development of industry or any undertakings in industry.

Thus, the SDA has much greater powers and responsibilities even within the craft area than those attributed to SICRAS. There is no geographical restriction within Scotland. There is a clear remit to assist, co-ordinate even possibly control development and growth in an industry. On the surface, these powers appear to conflict with those of the HIDB in that area.

Study of the SDA Annual Reports clarifies this situation. The 1977 Report includes this explanation:-

> "The area covered by the Highlands and Islands Development Board is a special case. The Agency has a harmonious relationship with the HIDB, and leaves to the Board the generality of industry cases in its territory. The Agency's investment powers are involved, whether alone or in company with the HIDB, where cases are large, or where they arise in companies or industries operating both in the Highlands and in other parts of Scotland."(5)

This statement implies that unless there is a major case within the HIDB area then the Board are simply left to manage their own affairs. In the craft field, this Report provides further information:-

> "The Agency has a special involvement in crafts and their encouragement throughout Scotland, especially south of the Highland area. It has assumed direct financing responsibility, taking over certain functions from the Scottish Office and from the former Joint Crafts Committee. To advise it in this field it has set up a Crafts Consultative Committee including representatives of craftsmen and of crafts training and encouragement organisations, under the chairmanship of Brigadier R. S. Doyle, whose interest and help are much appreciated. The Agency's crafts responsibilities are discharged through the Small Business Division." (6)

This statement, read in conjunction with the former, appears to clarify the position of authority and responsibility. The SDA does have overall responsibility for the crafts in Scotland but short of major developments leaves the HIDB to manage its own affairs. The establishment of the Crafts Consultative Committee in an advisory capacity and with representation from HIDB, SDA and other bodies provides a forum for debate and presumably an element of co-ordination without detracting from the powers and responsibilities of the SDA. Thus, it must be concluded that the SDA is the body with prime responsibility for the crafts in Scotland. It should also be noted that in terms of industrial investment functions, a third body is involved (Scottish Economic Planning Department) which has responsibility for liaison and consultation between the SDA and HIDB before directives are issued by the Secretary of State - however this arrangement does not appear to contradict previous statements.

The SDA Annual Report (1978) includes a clear statement of encouragement for small businesses as a sector making an important contribution in its own right and as the foundation for larger businesses of the future. Specifically in relation to the crafts, the Reports for 1978 and 1979 acknowledge the following:

1978 : SDA contribution to the HIDB 'Craftpoint' Training Unit.
SDA awarded 28 Grants (value £15,000) to new craftsmen.
SDA awarded 13 Grants for equipment (value £5,165).
SDA estimate of value of goods ordered at Ingliston (£846,000).

1979 : SDA introduce a Crafts Fellowship Scheme (£2,500).
SDA estimate of value of goods ordered at Ingliston (£800,000).
SDA Grants awarded to 51 businesses for all purposes.

As can be seen clearly from these summaries, there is no mention of total numbers involved, the information provided is inconsistent and therefore of little direct value.

2.3.1 A number of craft associations were identified, sometimes formed on a geographical basis and sometimes on a craft basis. However, the prime association is the Scottish Craft Centre, a body broadly representative of all crafts and open to membership from the whole of Scotland. During the period of research, the Scottish Craft Centre has undergone periods of crisis, change and optimism. As a member of Council representing the Central Institutions (Art) in Scotland it is of course possible for me to give a detailed analysis of the affairs of the Centre. As this would not, in my view, be proper to record I prefer to use only the experience gained from service with this body in a general context throughout this research. The smaller craft associations are to an extent represented on Council by members serving in a dual capacity. It was therefore decided to avoid the complexities of small groups and associations and to concentrate on the broader issues.

2.4.1 There is only one body which could be described as representing the 'profession' in terms of the crafts - The Society of Designer-Craftsmen. The Society, for which there is a set level of attainment in both elements (design and craftsmanship) and where there is a code of conduct, is in reality based in London but with a small number of members in Scotland.

2.5.1 As already demonstrated, bodies with specific responsibility for the crafts in Scotland clearly lacked basic authoritative information. It was therefore anticipated that the official and usual sources of statistical information would not provide specific information relating to the crafts but would be available for general comparison over a range of factors from estimates of population to economic elements such as production.

2.6.1 Once again, it was anticipated that there would be few, if any, general publications which could be regarded as authoritative source material. However, throughout the period of research there were a number of publications which provided useful complementary information. One particular publication, 'Small Firms - Report of the Committee Inquiry on Small Firms' (1971), was given special attention. As the definition of a 'small firm' applied by the Bolton Committee of employing up to 200 people would have covered some 75% of all firms in Scotland, the section dealing specifically with the crafts was of particular value.

2.7.1 In conclusion, both preliminary and continuing research identified SICRAS/SDA to be the most reliable source of primary information. Their willingness to assist through the provision of information available to them has proved to be invaluable and essential. Thereafter, a variety of sources have contributed much valuable complementary information.

2.7.2 The results of two surveys undertaken by SICRAS (1972/3) and the SDA (1978) are contained in Appendix B. These surveys relate to small businesses and not specifically to craft businesses but contain interesting points for comparison.

2.8.1 Literature on the subject area can broadly be divided into three main areas:-

i) A small number of books dealing with elements of the crafts in Scotland either by location or by craft.

ii) An extensive range of books based on individual crafts and concentrating on the technical or historical aspects.

iii) A small number of books based on other countries and describing their traditional crafts and to a limited extent current activities.

2.8.2 In reviewing publications in the first category (ie those concerned with elements of the crafts in Scotland either by location or by craft) there are four books.

Brander (1974) acknowledges that his book 'Scottish Crafts and Craftsmen' is principally intended to assist the visitor to Scotland to understand the broad historical pattern of development of the crafts and to identify the genuinely Scottish Crafts. As this research programme is not solely concerned with the 'true' or 'traditional' crafts of Scotland but is concerned with the activities and wellbeing of all craftsmen living and working in Scotland during the period 1975 to 1978 then, unfortunately, there is little common ground. Perhaps the most striking example of differing ground occurs within the field of ceramics. Brander, in describing post-war activities within that field, broadly dismisses ceramics on the basis that pottery is international and although claiming that there are still some examples of pottery with a Scottish style, he fails to include ceramics (or pottery) in his list of Scottish craftsmen and craft shops. Yet this research will show that within a year of the publication of his book craftsmen in the field of ceramics were numerically the largest single group (152 ceramic businesses recorded in 1975) accounting for 14% of the total craft businesses in the country, and there is no evidence to suggest that relative numerical strengths had altered radically between 1974 and 1975. As there are other notable omissions from lists of craftsmen in other categories (eg. William Kirk, Edinburgh, Silversmithing) then it must be concluded that this publication is neither sufficiently accurate nor consistent to provide an authoritative base.

Mackay (1976) in his book 'Rural Crafts in Scotland' provides a general description of the roles played by the major bodies concerned with the crafts in Scotland; a description which closely accords with the early findings of this research project. However, Mackay's approach to the subject is, in my view, arbitrary. To deliberately exclude the four major cities of Edinburgh, Dundee, Glasgow and Aberdeen and then to categorise the remainder of the country as 'rural' or 'semi-rural' and as such worthy of inclusion within the rural crafts context is dubious in terms of logic and probably accounts for the overall impression of an interesting yet ill-fitting account of the subject. For example, considering the craft of Tapestry, Mackay acknowledges the international stature of the craft in Scotland, points to the important if not prime role of the Dovecot Studios in Edinburgh and proceeds to list the major craftsmen who are almost exclusively Edinburgh based. Similarly, silversmiths in Aberdeen and Glasgow who may live on the outskirts of the urban areas but who relied for years on their connection with the Art Colleges firmly within the respective urban areas in terms of workshops and business connections are included in the accounts and lists of craftsmen, whereas Ian Davidson of Edinburgh whose work is commissioned throughout the length and breadth of the country and has received formal recognition and awards from Goldsmiths Hall in London is omitted. Thus, it can be said that while the geographical division is clearly stated the division between urban and rural crafts is both uncomfortable and to a degree misleading. In addition, a small section of the information from the index of craftsmen contained in this book was tested during the pilot survey; it was found that one business (Caithness Crofting Crafts) had been closed since 1974 and another (Lakaschus) was a gallery rather than a workshop. However, such minor errors are probably due to the same problem encountered during the early period of this research, the difficulty in obtaining reliable source material.

Manners (1978) in his book 'Crafts of the Highlands and Islands' concentrates on the 'traditional' crafts of an area north of a line between Dumbarton and Stonehaven. His approach to the crafts is interesting in that he clearly sees a division between the artist-craftsmen and the traditional crafts; the artist craftsmen being businessmen and the crofter-craftsmen, he suggests, gaining more satisfaction from achievement than financial reward. This research project provides evidence to show that at a comparable time the classification of artist-craftsmen as businessmen is not wholly accurate there being many whose attitude and approach to the craft is more akin to the crofter-craftsmen he describes. However, his view may be influenced by the range of 'crafts' covered; crofting 'crafts' such as peat digging, thatching and dry stone dyking are not generally as commercially orientated as those practised by the artist-craftsmen and in that context the division becomes more realistic if somewhat misleading. Manners also provides a description of some of the major 'artist crafts' and identifies leading exponents of that craft within the area. However, the major emphasis falls on a description or outline of the craft techniques and there are only brief and unsupported references to an apparently high wastage rate among artist-craftsmen and to the general state of the various crafts.

Thompson (1969), in his book 'Harris Tweed - The Story of a Hebridean Industry' traces the social and technical development of crafts associated with the early stages of the product from their introduction some 300 B.C. to the present day; from production of cloth for their own purposes to trade of surplus and to a major craft industry of considerable economic importance to the area. Thompson traces the birth of 'Harris Tweed' in the mid 19th C., the marketing efforts of the home industries bodies, the dilemma of the hand over mechanical production of material preparation processes, recognition of the standard of the product with increasing demand, attempts to industrialise by mainland companies, the formation of the Harris Tweed Association and the eventual compromise which allowed industrial processes and hand craftsmanship to combine in the production of an internationally recognised and valued product. This book is well researched and documented.

While these publications dealing with elements of the crafts in Scotland by location or by craft vary in quality from the subjective and shallow to objective study and analysis they provide little in the way of direction or evidence to assist in this research project. The main problems appear to centre on the following:-

1. A lack of accurate base information on the number of craftsmen, their locations and their crafts.

2. Emphasis on the 'traditional' crafts as opposed to the 'active' crafts.

3. A high degree of subjectivity relating to crafts, craft products and craftsmen selected for inclusion.

4. Emphasis on the technical aspects of the various crafts.

2.8.3 There is a surprisingly large number of books based on individual crafts which concentrate on their technical or historical aspects. Many are simply aimed at stimulating interest in a craft and encouraging the reader to attempt practical exercises. In terms of this research, they are of no direct interest or value although it could be argued that they are in themselves evidence of the frequently claimed 'crafts revival' in that publishers are unlikely to venture so heavily in this field unless there was a proven level of demand.

2.8.4 There are, however, some books which provide brief but interesting glimpses of craft activities in other countries.

Jones (1978) in her book 'Welsh Crafts' points to a current upsurge in interest in their functional, economic, aesthetic and therapeutic values. In tracing the history of a wide range of crafts, she emphasises the status of the craftsman within the community, the role of the craftsman in serving the needs of the local community and in particular the needs of an agricultural community. Such relationships, disturbed by the Industrial Revolution, now appear to her to be returning slowly with a general migration from urban to rural areas.

Jones, noting the traditionally poor business record of craftsmen acknowledges the importance of assistance to craftsmen from government particularly in terms of marketing organisation. This book is in many ways similar to the previously considered publications relating to Scotland; there is no attempt made to provide statistical evidence to support claims made and with the main emphasis being on the history and techniques of the crafts. However, a distinctly romantic and lyrical flavour assists in distinguishing this book from its Scottish counterparts.

Nylen (1968) in her book 'Swedish Handcraft' provides what is, in my view, an outstanding contribution to literature on the crafts. The book contains evidence of a depth of research into historical aspects of the crafts in Sweden from the cultural background to function and purpose to technical methods. Intended as a handbook for Swedish craftsmen and craft workers, this book regrettably does not cover current craft activities in Sweden nor does it provide base information which could be used for comparative purposes. It could however be recommended as essential pre-reading to intending authors in the field of 'traditional' crafts in Scotland.

Sayer (1977) in her book 'Crafts of Mexico' provides a colourful view of the crafts and the people of that country; indeed, the link between the people and their products is emphasised throughout building a picture of a vibrant, highly decorative and personalised range of expression which has remained virtually unchanged for centuries. Yet there is a hint of change in her description of the work of a craftsman in lacquer, the last in his village, admitting during interview that his son was not and could not in this age be expected to be interested in such hard and demanding work. Nevertheless, Sayer projects an image of craft as an integral part of the village culture and life of a substantial part of Mexico and of creativity and enjoyment emanating from these crafts.

2.8.5 It is, in my view, extraordinary and depressing to have to record what is in effect a total failure to locate a single authoritative assessment of the current state of craft businesses in Scotland or to find any real evidence of interest in the motivation, training and experiences of the craftsmen which could reasonably be expected to be among the major factors of influence on them.

In contrast, there appears to be an almost universal fascination for the cultural backgrounds, the historical and technical developments and the craft product with the craftsman as the mere vehicle of expression. Extraordinary indeed, unless their creative abilities, their skills and their service to the community are generally considered to be of less value than those of artists, painters, sculptors, composers and writers, whose lives and work have been scrutinised and analysed in depth.

CHAPTER 3

The Index: Compilation and Analysis

Chapter 3

The Index: Compilation and Analysis

3.1 As described in the previous chapter, base information available on these craft businesses was located in a number of different sources. That information was, in my view, fragmented and inconsistent. For example, the results of the surveys conducted by SICRAS (1972/3) and the SDA (1978) could not be applied with confidence to the subjects of this research for the reasons stated in para. 2.7.2. Even more important, initially there could be no value in accepting simple numerical information relating to these businesses or locations from bodies such as SICRAS, HIDB or the Craft Centre because of their inherent sectional interests which even in combination could contain elements of duplication or ommission. It was therefore considered necessary to consolidate information from such sources into the form of an index of craft businesses maintained on a consistent base over a period of years.

3.1.1 The index was initiated in December 1975 and revised annually at December through to 1978. A period, generally of approximately one week, was spent by arrangement at the offices of the Small Industries Council and later at the Scottish Development Agency offices in Edinburgh listing the entries in their current records. Further periods were spent either later in December or in early January collecting similar information from other sources.

Initially, in 1975, the following sources were used:-

a) The records of the Small Industries Council for Rural Areas of Scotland - later to become the foundation for similar records held by the Scottish Development Agency.

b) The Society of Designer-Craftsmen membership lists.

c) The records of the Scottish Craft Centre.

d) Publications of the Highlands and Islands Development Board.

The Index was compiled on an alphabetical basis as the records of the principal prime source were recorded in this manner. The entry was therefore placed according to the name of the proprietor if he or she was trading under his or her own name or under a business name. In examining the different sources and in compiling the Index every effort was made to avoid duplicated entry although this proved difficult because it became clear that in some cases the proprietor's name was recorded in one source and the same business was recorded in either the same source or in another source under the business name. This difficulty was further aggravated by inadequate or incomplete listing of addresses.

In the case of the index and records of the Small Industries Council for Rural Areas of Scotland there appeared to be a major source of information covering the whole of Scotland and in many cases also noting membership of the Scottish Craft Centre or location within the Highlands and Islands Development Board Area.

Examination of the Scottish Craft Centre index and records likewise showed that a substantial majority of their membership was already included in the SICRAS records. However, in the case of the HIDB I was informed by their crafts officer Mr Wilton that no such index or records existed and that the most appropriate source of information was contained within their publications .... 'Buyer's Guide to Retail Products of the Highlands and Islands' .... and their catalogue of the Highland Trade Fair, neither providing criteria for inclusion within the index. The records of the Society of Designer-Craftsmen were found to be incomplete as known, 'paid-up', members were not recorded.

Therefore, in 1975, examination of the source records identified a total of 1136 businesses as detailed in Appendix C, Table C 1. This number was used initially as a 'base' but with the acknowledgement that there was no means available to me of evaluating their level in terms of commitment (eg hours worked per week) which could be used to distinguish between the professional and the hobbyist.

3.1.2 In 1976 an identical examination of source material took place. There were, however, two major changes in circumstances:-

a) The Small Industries Council for Rural Areas of Scotland became part of the Scottish Development Agency.

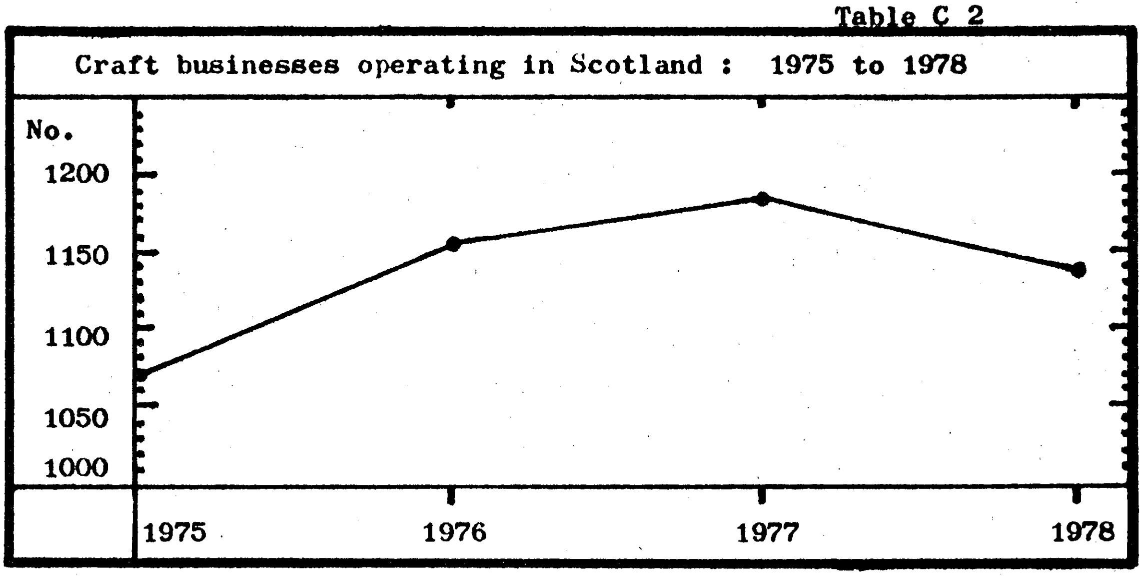
b) I was informed by Agency staff that a major effort had been made during that year to extend and up-date records of businesses including those contained within the HIDB area and with that bodies' assistance.

Examination of the resulting index showed that the SDA records did indeed appear to be representative of the physical areas and interest groups. For example, the majority of businesses that had appeared in the 1975 index under the HIDB records only were now recorded in the SDA index. In terms of this research project, the change had a particular advantage - an independent body, the SDA, was now making an assessment of each business for the practical purpose of inclusion in their lists.

Under these circumstances it was considered to be both reasonable and practicable to revise the index for the years 1975 and 1976 on the firm base provided by the SDA records. Any business recorded by the SDA in 1976 which was recorded from another source in 1975 was assumed to have been in business in 1975. Any business recorded from another source and which did not appear in the SDA records for 1976 was assumed either to have fallen below the levels required for inclusion or not to have been in business and was therefore deleted. In some cases, businesses recorded in 1975 from sources such as HIDB publications failed to appear again in 1976 under that same source and were therefore removed from the index automatically.

3.1.3 Thus, the results shown in Table C 2 of total numbers recorded in the index for the years 1975-78 are based on the records of the Scottish Development Agency subject to the assumptions contained in Para 3.1.2 and must further be assumed to be worthy of inclusion based on the knowledge of the staff of the Agency gained from a variety of sources including the reports of their own field staff.

Table C 2



Craft businesses operating in Scotland : 1975 to 1978

3.2.1 Analysis of information contained in the index continued throughout the period from 1975 to 1978. The following aspects were examined in detail:-

a) Distribution by Craft Groups.

b) Physical Distribution.

c) Distribution in terms of Local Government Regions and Districts and related to population statistics.

d) Craft businesses related to Rural and Urban areas.

3.2.2 Distribution by Craft Groups: As it was suspected from general knowledge of the crafts in Scotland and from factors such as intake into craft subjects at college level that some crafts were heavily subscribed while others appeared to be struggling to survive, then substantiated knowledge of numbers was considered to be essential.

The main craft groups were set down in a list of 21 headings with a further heading for those businesses where it was not possible to identify a particular craft or where the work was clearly of a very general and non-specialised nature. These groups are listed in Appendix C, Table C 3. Distribution over the period 1975 to 1978 is contained in Appendix C, Table C 4 (1975), Table C 5 (1976), Table C 6 (1977) and Table C 7 (1978). Analysis of this information shows that the major craft groups by % to be (1) Ceramics, (2) Silversmithing and Jewellery, (3) Weaving and (4) Woodwork. Further analysis as contained in Appendix C, Table C 8, demonstrated that over the four year period concerned there were no dramatic changes in the relative numerical strengths of the various craft groups - on the contrary, the groups remained surprisingly level the only changes of note being ....

a. Group 2 (Silversmithing/Jewellery) rising by 1%.
b. Group 7 (Knitting) rising by approximately 2%.
c. Group 13 (Wrought Iron) falling by approximately 1%.
d. Group 22 (Miscellaneous) with a 2.4% variation.

Such changes cannot be regarded as significant. In the case of Group 22 the greatest % of change is probably explained by the difficulties experienced by the bodies concerned in gaining accurate information on business and resulting in their initial placement in this general category.

3.2.3 Physical Distribution: The index for the year 1975 was translated in terms of physical distribution and by craft groups as contained in Appendix C, Figures 1 to 22.

From this visual evidence it was possible to make a number of observations in general terms about the locations of the various craft groups:-

Group 1 - (Glass): Apart from the urban areas of Glasgow and Edinburgh, Crieff and Wick are major centres.

Group 2 - (Silver and Jewellery): Widely spread throughout Scotland but with heavy concentration in the urban areas and in the central belt.

Group 3 - (Lapidary): A small group widely distributed with a minor concentration close to Edinburgh.

Group 4 - (Ceramics): Wide distribution of this craft throughout Scotland and somewhat similar to Group 2 but with less concentration in the urban areas and no representation in the islands of Orkney and Shetland.

Group 5 - (Graphics): Widely distributed throughout Scotland, with a concentration centred on Glasgow and minor concentrations in Edinburgh and Inverness areas.

Group 6 - (Weaving): Widely distributed throughout Scotland but with concentrations in the Western Isles, the Inverness to Bonar Bridge area, the Grampian, Fife, Lothian, Borders and Strathclyde Regions.

Group 7 - (Knitting): Concentrated in the central belt, the Orkney and Shetland Islands and the Border, Dumfries and Galloway Regions.

Group 8 - (Tapestry): Heavily concentrated in the Edinburgh area. This is an interesting distribution as the only Art College in Scotland to teach tapestry as a main subject is the Edinburgh College of Art and one of the most famous centres of this craft is the Dovecot Studio in Edinburgh.

Group 9 - (Textiles): Concentrated on the east coast of Scotland principally in or near Edinburgh and the Fife Region.

Group 10 - (Woodwork): Widely distributed throughout Scotland but with concentrations in the urban areas of Edinburgh and Inverness, the Lothian, Fife, Grampian, Highland and Strathclyde Regions.

Group 11 - (Furniture): Concentrated in the Fife, Lothian, Borders, Dumfries and Galloway Regions and in the Orkney Islands.

Group 12 - (Musical Instruments): Concentrated in the Edinburgh area, and the Fife and Tayside Regions.

Group 13 - (Wrought Iron): Widely distributed throughout Scotland but with concentrations in the Orkney Islands, the Wick and Thurso areas, the Inverness to Bonar Bridge area, the Fife, Borders, Dumfries and Galloway and Lothian Regions.

Group 14 - (Hornwork and Crooks): Scattered throughout the mainland of Scotland but outwith the main urban areas.

Group 15 - (Skins): Heavy concentration in the Shetland Islands with the remainder widely scattered throughout predominantly rural areas of Scotland.

Group 16 - (Leather): Concentrated in the Lothian and Border Regions and with no representation in the Western Isles or in the Orkney and Shetland Islands.

Group 17 - (Soft Toys and Dolls): Concentrated in the central belt and in the Highland Region.

Group 18 - (Embroidery): Concentrated in the central belt and in coastal strip of the Grampian Region.

Group 19 - (Candles): Small group which is widely dispersed.

Group 20 - (Plastics): Small group which is concentrated in the central belt.

Group 21 - (Shellcraft): Small group represented exclusively by Inverness and Wick.

Group 22 - (Miscellaneous): Heavy concentration in the Lothian Region and to a lesser extent in the Strathclyde, Borders, Tayside and Grampian Regions.

This visual evidence also suggested that there was a curious lack of placement in terms of markets and as this method of analysis could only produce indicators it was decided to change the method and base analysis on known factors such as population distribution.

3.2.4 Distribution in terms of Local Government Regions and Districts and related to population statistics: The index was revised to take account of the then new local government Regions and Districts. Each entry in the index was then tabulated as shown in Appendix C, Tables 9 to 37. Analysis over the period 1975 to 1978 (Table 9) showed that in the majority of Regions there was only minor change in the number of businesses recorded in 1975 and 1978. However, four Regions in particular showed dramatic increases in numbers of craft businesses:-

a. Border Region: +45%

b. Western Isles: +30%

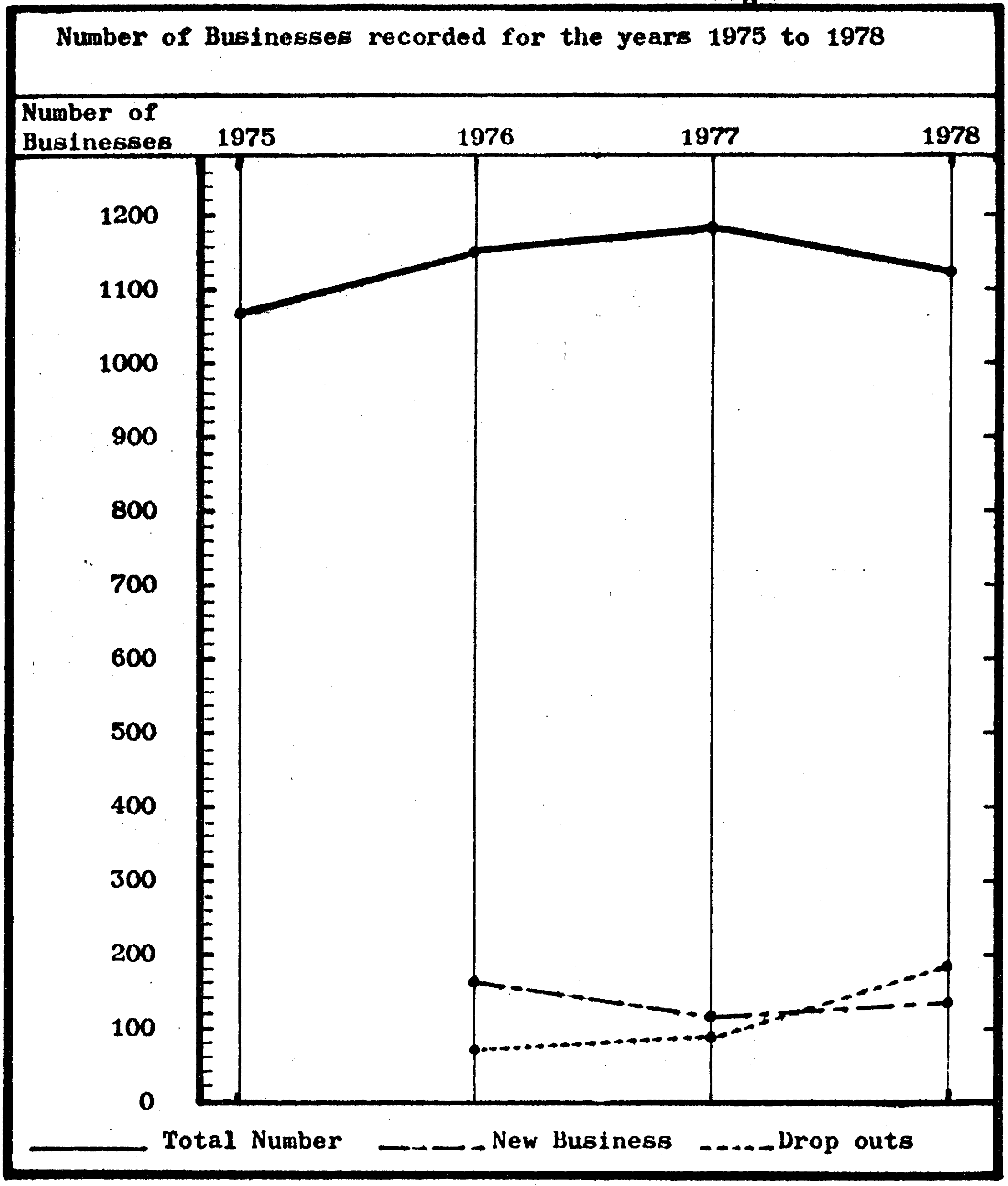
c. Orkney : +25%

d. Dumfries and Galloway: +15%

Revision of the index as described in para 3.1.2 allowed for analysis on a consistent base of the numbers of businesses opening and closing. This information, illustrated in Figure C23, also records the temporary closing and re-opening of a very small number of businesses which moved from one Region to another.

Fig. C23/

Figure C23



This information points to the importance of knowledge of factors such as duration in business. The total figures are obviously dictated by the numbers of new and closing businesses in any year. Within the short period covered by this research these elements have reversed from a larger number of new businesses shown in 1976 to a larger number of closed businesses in 1978.

3.2.5 Craft businesses related to urban and rural areas: Information contained within the Tables C10 to C37 (Appendix C) was used to test for any relationship between the craft business population and the population as a whole. Using the local government Districts as the unit, it was noted that there was a discrepancy between the % represented by the District Home Population of the National Home Population and the % represented by the District craft business population of the National craft business population. On further examination it was suspected that overall there was a difference between results for urban and rural areas. Using the Spearman Rank Order method (as applied by Freund (1970)) the coefficients were calculated as r' =-0.876 (1975); -0.884 (1976); -0.871 (1977); -0.861 (1978). It was found that over the period 1975 to 1978 there was a strongly significant and uniform relationship between an area of low population density and a high proportion of craft businesses within that population. In other words, a densely populated area such as a major city or town contains a much smaller proportion of craft businesses to the population than a small town or rural area. (Note 1.)

The proven attraction of craftsmen, for whatever reason, to the rural areas was further tested against changes in that craft population as opposed to changes in District Home Populations with a negative result. It was concluded that there was no relationship between changes in the craft population and changes in the DHP over that period. The calculations for the above tests are contained in Appendix C, Tables C38 to C43.

Note 1. (Page 38)

3.3.1 Conclusions

Despite a seemingly strange reluctance on the part of SICRAS/SDA during the period of this research to publish figures on a consistent base to substantiate the individual and informal statements on numbers and growth made by staff, such claims appear to be justified. Experience has provided an explanation of that reluctance - clearly, records were only in process of up-dating in 1975 and staffing was inadequate to meet the requirements of detailed analysis.

This programme of research by initially investigating and recording evidence from a variety of sources has overcome the difficult problem posed in 1976 by a major up-dating of SDA records and has therefore avoided what could have been seen as a dramatic and yet artificial increase in craft businesses at that time.

As craft businesses are not obliged to 'register' it is of course possible that some may have existed and not have been recorded in any of the original sources either by omission or as a result of deliberate avoidance on the part of the proprietor. However, I am reasonably satisfied that any notable contribution by craft product or service would have resulted in recognition, perhaps delayed, and inclusion. Therefore, it is reasonable to assume that such businesses are few and likely to be small in scale in terms of the figures produced for any one year. During the period of the research, I was asked by the SDA to provide numbers and analysis from my index. On receipt of the Tables C4 to C8 (Appendix C) the following written comment was returned:-

SDA Crafts Manager: 29th January 1979

"I appreciate your sending on the craft distribution tables for 1975-78. Your timing is perfect as I am just into the second draft of my paper and was at the point of making general assumptions which are to a large extent backed by your figures. The growth in the numbers of machine knitters and jewellers, the decrease in wrought iron and the influx of craftsmen into the Borders are well supported by your research. Presumably the Miscellaneous heading did not hold too many of these in the 1975 analysis." (7)

It is therefore reasonable to assume that the analysis contained within these tables accords closely to the 'rule of thumb' assessment of staff engaged in this field. Further, as research has failed to identify any other source which could provide a comprehensive and authoritative breakdown of craft businesses in Scotland during this period then the index and analysis compiled for the purpose of this programme of research must be assumed to represent the best information available. Taking account of the importance placed currently on factors such as growth in production and employment this lack of official knowledge at the decision making level must be regarded as an indictment of the organisation and planning elements relating to craft businesses as a whole.

The physical distribution of these businesses raises a number of fascinating possibilities; do craftsmen locate their premises in relation to the raw materials, the market, the availability of premises or even in terms of tradition? What is the reason for the apparent attraction to an area which has a low population density? (Note 2.) Similarly, the relationship between the total number of businesses, new and closing businesses must raise questions of importance related to duration and stability with the associated reasons. Speculation.

Note 2. (Page 38.)

even on an informed basis, is of little value compared to authoritative answers provided by craftsmen themselves through a survey.

Note 1. (Ref: Page 35.)

There are some exceptions to the general pattern, notably, Edinburgh. While the research programme did not set out specifically to establish reasons for such exceptions, in the case of Edinburgh it is likely that its acknowledged position as 'cultural capital' of Scotland with a lively image in the arts and an influential section of the public in the university and higher education fields combine to make the city an 'exceptional' urban area in this context.

Note 2. (Ref: Page 37.)

The apparent attraction of a low population density area to craft businesses could not be fully tested through a survey. However, the strong response in the survey concerning location by the home area priority (Para 5.3.10) must have some influence and it is likely that the availability of suitable properties or sites will likewise have some influence.

CHAPTER 4

Preparation for Survey

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Preparation for Survey

4.1.1 Investigation into the potential sources of base information had clearly failed to reveal any reliable evidence which could assist in answering the questions posed in this research programme.

The establishment of the index had provided some information on the craft business population as a whole.

It was therefore decided that the only practical method of obtaining authentic answers to the questions posed was to go direct to the source of that information, the craft business proprietors, by means of a survey.

4.1.2 In preparing to embark on a survey of the craft businesses there were key areas to be considered:

i. The general nature and scope of information necessary for realistic appraisal of results.

ii. The preparation of questions and of a procedure for a survey.

iii. A 'trial' or Pilot Survey as a practical test.

iv. Assessment of information and procedure arising from the Pilot Survey and modifications made, where appropriate, for the main survey.

v. Selection of sample.

4.2.1 The major objectives of the survey were clarified in terms of the requirement to establish a clear picture of the likely numbers, size and range of craft businesses based on the index, their state of development considering a variety of elements including the training of proprietors and their previous experience, the reasons for their location and their contribution in terms of business generated and employment. Particular attention was given to a sub-group of art college graduates who were known to be included in the index and to their performance and views on the suitability of their training.

4.2.2 The questionnaire prepared for the Pilot Survey (Appendix D1) categorised the information required under headings:

a) <u>Nature of Business</u>

It was anticipated that entry in the index under a particular business name and craft product would not necessarily adequately describe the real nature of the business. For example, that business could be wholly involved in making and selling the craft product of that business, either directly to the customer or through other retailers or by a combination of both. As there could well be significant differences in approach to business problems arising from these elements, it was considered necessary to establish the facts.

Similarly in terms of employees, it was necessary to establish whether their employment was on a full-time or part-time basis. It was also considered that the previous training and experience of the proprietor would play an influential part in the establishment, nature and development of the business. Such information, if found to be related to performance, could prove to be significant in terms of education policy and government policy.

The additional information concerning the date of establishment of the business and the age of the proprietor were considered likely to provide information related to experience and training and a base for assessment of development.

b) <u>Location of Business</u>

Information concerning the proprietors' reasons for establishing that business in a particular location was considered to be essential on two counts.

Firstly, as an indicator of the business or private intentions of the proprietor. In the knowledge of clear theoretical and practical assessment criteria for choice of location of business there were nevertheless individual cases known where totally different criteria had been applied based not on the business element but on personal life-style.

Secondly, as a measure of compatability between the reasons for location offered by the proprietors and the policies adopted by the assisting bodies such as the HIDB and the SDA.

c) Assessment

It was considered useful to offer the proprietors an opportunity to comment on, enlarge on or simply explain where their original intentions and objectives for the business had been altered or modified by practical experience.

d) Development of the Business

An important element in the assessment of development was considered to be the actual pattern over the three previous years together with that anticipated for the next three years. The base for assessment was selected as volume of business and taken as the total sales figure for the year, a measurement which relatively easily allowed subjects to account for inflation. Therefore, the proprietors were asked to categorise their business in terms of stability, expansion or contraction over both periods. Another important element was that of calculation based on the actual volume of business where it was recognised that some subjects might be reluctant to state a positive figure. For this reason it was decided to ask for an indication of volume of business within bandings which would still allow for calculation within tolerable limits.

It was also considered useful to attempt to establish the pattern of markets which could be influential in terms of future development. Similarly, that pattern could be expected to be strongly affected by external factors such as the availability of premises for expansion or by the provision of specialist services and it was therefore considered important to invite comment on the roles played by local and central government and by the professional and trade organisations.

e) Community

In view of the craftsmans' close association with the local community in historical terms, it was decided to invite proprietors to comment on the degree of acceptance by and support received from their local community.

f) Art College Graduates

As it was known from personal experience that growing numbers of under-graduate and post-graduate students in one of the major art colleges were intending to establish their own craft business, it was considered to be of value to ascertain the views of previous graduates on the suitability of their college training.

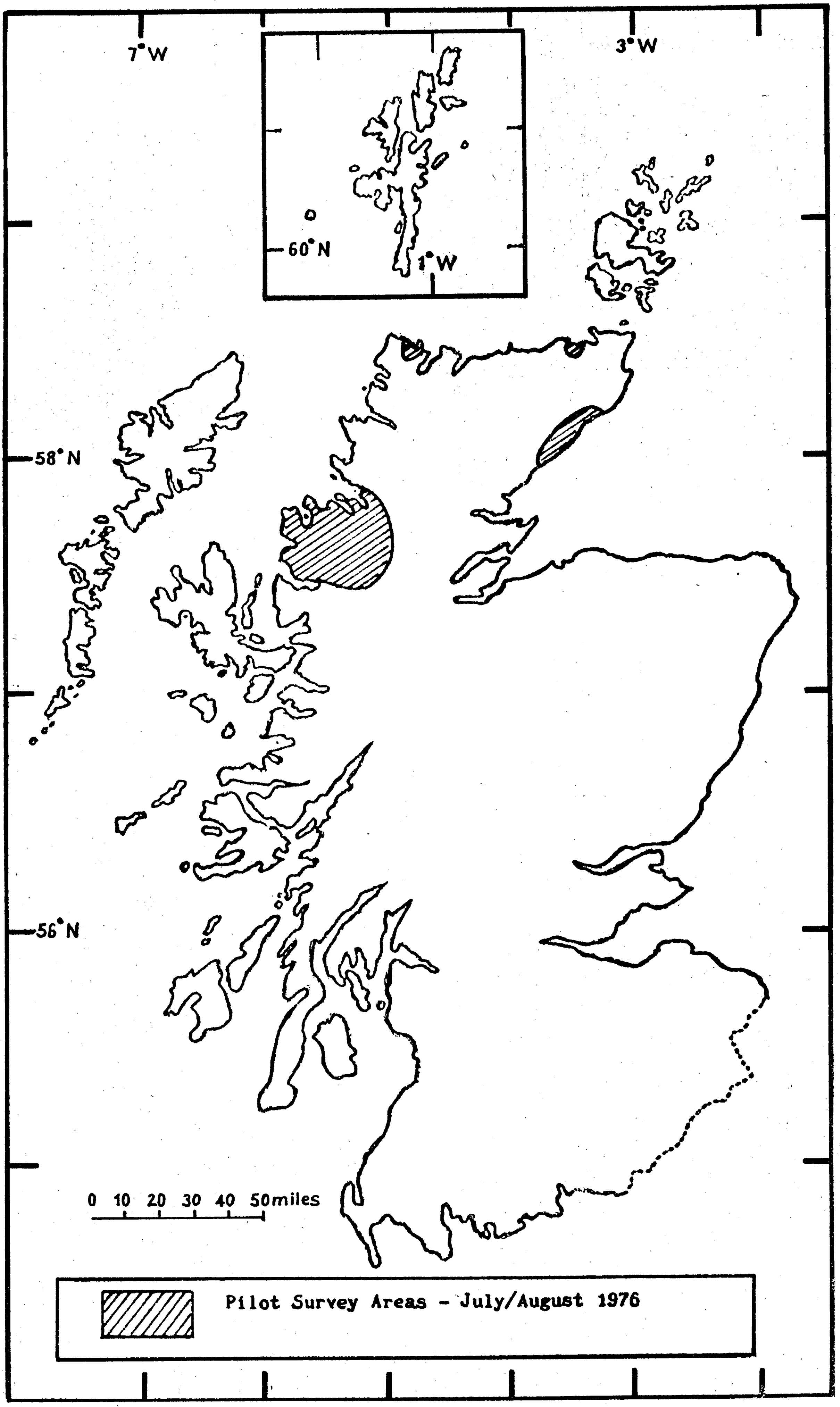
g) Working Conditions

Experience suggested that craft businesses were situated in a wide variety of buildings from domestic houses through to small custom-built premises. Information gained on the requirements would be of value particularly in terms of potentially increasing numbers and the costs involved in obtaining premises.

h) Personal Assessment

In any assessment of potential, factors such as the product range, the technical level of the product and the creative element were clearly important. It was recognised that these would be difficult to assess by interview but nevertheless the section was included for use whenever the opportunity was presented.

4.2.3 The procedure planned for the Pilot Survey was first to select a small number of centres and to visit the businesses listed in the index around these centres, second to interview the proprietors on a personal basis, and third to call on each at the address listed providing written confirmation of the nature and purpose of the survey.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3°W
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0 10 20 30 40 50miles
Pilot Survey Areas - July/August 1976

4.2.4 Four areas were selected (as illustrated, Page 46) and following examination of the index the details established as follows:-

Area 1 (Centre; Gairloch): An examination of the index showed that within this comparatively large area there were eight craft businesses engaged in ceramics (3), hand weaving, tapestry, jewellery, graphics and knitting/weaving. As this represented an acceptable spread of craft subjects and as the number was viable all eight businesses were included in the pilot survey.

Area 2 (Balnakeil Craft Community): As the various index sources had indicated either a lack of reliable information about this community or a high rate of change of businesses within the community there was little option but to visit the community to try to establish that rate of change and to interview as many businesses as possible over a spread of craft subjects.

Area 3 (Thurso): The index showed eleven craft businesses in or close to Thurso and representing the crafts and products of ceramics, chairs to a traditional local design, perfume, knitting, wrought iron, lapidary, weaving, leather goods, woodcarving and spinning wheels. Once again, the natural spread of crafts was acceptable and all eleven were in the pilot survey.

Area 4 (Helmsdale): Although this area contained the smallest number of craft businesses listed in the index these six represented the crafts of woodcarving, jewellery, ceramics, weaving and woodturning and therefore all six were included in the pilot survey.

4.2.5 A letter (Appendix D2) was prepared for presentation to subjects and for their retention of required. The intention of the letter was to provide a clear means of identification including that of my own involvement with crafts, to state the purpose of the questions and to assure subjects of the anonymity of their responses thus encouraging participation and factual answers.

4.3.1 The Pilot Survey was conducted during the period July to August 1976 in the areas selected and using the procedure planned. Response from subjects was good, every proprietor who was available agreeing to be interviewed. Thereafter, there were three recurring and minor points of reservation ......

a) 'What kind of questions are they?' It was explained that the questions covered a range of subjects relating to the management of the business and if they did not wish to answer specific questions they were free to do so.

b) 'Who will see the answers on that form?' It was emphasised that the form did not bear a name and could only be identified by an index number which I alone held.

c) 'Can you guarantee that you do not work for the Revenue or the HIDB?' Although this question was on occasions asked partly in humour it was nevertheless answered seriously by stressing the independent nature of the survey with the aim of obtaining accurate and unbiased information about the state of craft businesses in Scotland.

After the initial interview it was also explained that in the case of a business where production and sale of the craft goods was only part of that business the questions should only be answered in terms of the craft business.

Despite the fact that many of the interviews were conducted in the back of a busy shop or in the retreat of adjacent private accommodation it was highly significant that the majority of subjects had relaxed sufficiently by the end of the interview to enter voluntarily into discussion about the crafts frequently prefaced by questions about my own work. Although the 'formal' interview required between thirty and sixty minutes depending mainly on the number of interruptions the 'informal' sessions that followed varied between ten and twenty minutes providing much valuable background material which was recorded on the back of the form as soon as possible after the interview. This situation was in stark contrast to statements made that had the questionnaire been received by post then it would not even have been considered let alone answered.

4.3.2 While the Pilot Survey results were not intended for use as a base for assessment of any element other than that of the practicality of a full survey, the results were processed, examined and assessed in terms of the value of information gained.

4.4.1 The first interview, where the subject owned a general store which also sold the product of a small back-room pottery, presented a problem in terms of the structure of the questionnaire by the omission of a question requiring a clear statement on the degree to which the craft business accounted for the proprietors working commitment. In subsequent interviews this question was asked in terms of a percentage commitment and was justified by the response where some 69% were found to be engaged in the craft on a full-time basis, 25% on a part-time basis in relation to another business and with the remaining 6% having an unrelated full-time business or occupation. It was therefore noted that a change in the format of the questionnaire was necessary for clarification.

4.4.2 Similarly, a clear separation had to be achieved in other elements such as employment where the inclusion of employees like sales assistants dealing with the general merchandise as opposed to those employed to service the craft product would be misleading. It was therefore determined that the full survey questionnaire should clearly identify the work element in terms of the craft or of general assistance to the craft and the employees in terms of the role of proprietor, his wife/her husband, and the roles of other employees on a full-time or part-time basis.

4.4.3 In preparing the Pilot Survey it had been anticipated that the sales channels used by the craft businesses were likely to vary between those selling their own product direct to the customer and others selling through wholesalers. Assessment of the results proved to be difficult because of the omission of a major option where the product was sold directly to the customer and to other retailers and because there was no provision for recording the proportions of the total business distributed through these options. As it was evident from the trial results that valuable information could be gained by relating volume to distribution channel this additional question was noted for inclusion in the full survey questionnaire.

4.4.4 During the Pilot Survey a number of proprietors indicated that they had been trained at further or higher education level and when a supplementary question was added regarding the formal qualification it transpired that they had been accepted on special courses which varied from a total of three or four days to the equivalent of several months of a full-time course. It was therefore determined that adequate distinction should be made in the full survey to avoid distortion.

4.4.5 It had been anticipated that some proprietors might be reluctant to state even within broad banding the total of sales generated by their business. In the event, only one proprietor declined to answer and therefore the result was very much better than expected. What was considered to be even more important however was that there was no evidence to suggest that the stated levels were anything other than accurate; this is, of course, a subjective view or judgement of the honesty of people but in the absence of hard evidence in either direction then it is the best guide available.

4.4.6 During interview a number of subjects referred to their husband/wife in terms which implied partnership in the business. This factor prompted consideration of the various forms of business organisation with their individual advantages and disadvantages and of the likely implications for these craft businesses. It was also noted that the names of subjects listed in the index alongside the business name need not necessarily be the proprietor. It was therefore considered to be important to firmly establish ownership and the organisational structure of each business. Similarly, it was considered useful to establish ownership of the working premises.

4.4.7 Few comments were received from subjects concerning their local community possibly from fear of repetition but probably because the invitation was too open and vague. On further consideration it was decided to ask specific questions relating to the community, to establish the subject's place of residence before joining that community in a business context and thereafter to ask for comments. Similarly, that section relating to Art College Graduates required definition and clear channels for comment.

4.4.8 Fears regarding the difficulty in making an assessment of the product range as recognised at the planning stage were confirmed by practice during the Pilot Survey. The advantage of being a fellow-craftsman certainly appeared to contribute substantially to the co-operation of subjects before, during and after the interview; that same factor was an equally substantial obstacle in assessment of product quality. While attempts were made to complete that section of the questionnaire it was seldom possible for practical reasons, for example, in the middle of a crowded shop or because time and goodwill could not be stretched to allow for more than a superficial assessment of dubious value.

4.4.9 In summary, the Pilot Survey proved on a personal and practical level to have been an absolute essential; confidence was gained, possibly fortuitously, by the reactions and responses of subjects; errors in the structure of the questionnaire were identified; elements open to misinterpretation were likewise identified; experience was gained in the lengthy and complex process of ordering and assessing results; all individually and collectively important factors in the planning and execution of the full survey over the following twelve months. The questionnaire prepared for the full survey and modified in the light of experience from the Pilot Survey is contained in Appendix E1.

4.5.1 In preparing for the full survey careful consideration was given to methods of selection of units as a sample.

The 1976 index listing some 1217 craft businesses in Scotland clearly provided the population. The relatively small number of units initially suggested that a complete enumeration or census might be undertaken. However, as there was clear evidence provided by the Pilot Survey to suggest that the most reliable form of survey was that based on personal interview and as the units were scattered throughout the length and breadth of the country this possibility was discounted because the resources of time and finance could not be met. It therefore followed that the survey would have to be based on a sample of the units with two main avenues of approach ...

i) a random sample,
ii) a quota or stratified sample.

4.5.2 In the case of a random sample and with the obligation to ensure so far as possible the elimination of all elements of subjectivity a sample could be extracted from the index using random number tables. This method would certainly have the advantage of ensuring that each and every unit had an equal chance of selection thereby eliminating subjectivity in this respect. However, this method had two major disadvantages:-

1) That as each unit would have an equal chance of selection the physical distribution of the units selected could be so scattered that the resources of time and finance would not be sufficient. For example, visits to single units in the remote northern and western islands could prove prohibitive in time and cost.

2) Similarly, it is possible even with a sample of up to 20% for a random sample itself to be biased in terms of factors already noted such as ...

   i) differing ratios between districts,

   ii) apparent differences between urban and rural areas,

   iii) and different craft groupings.

It therefore appeared that the obligation to ensure an equal chance of selection for each and every unit had to be weighed against the availability of resources and considered in conjunction with other known factors.

4.5.3 The use of a stratified sample in cases where the composition of the whole population is known and individual strata can be identified was also examined. It appeared that the pre-conditions could be met as within the sample frame it was possible to identify units according to the following:-

i) Craft Groups

ii) Regions

iii) Districts

iv) Districts tabulated according to:

   a) Craftsmen/population ratio

   b) Population/area ratio

It was therefore considered reasonable to apply random or quasi-random selection to any one of these stratum through sub-strata and thereafter to the units within that sub-stratum. Each option was evaluated as follows:-

i) Craft Groups: as each unit had been allocated to a craft group it would be possible to take a random sample or a systematic sample of a given proportion over each craft group. While this would ensure that the sample fairly represented the individual craft groups by simple proportion it would also result in a widely scattered sample outwith the scope of resources or it could result in a sample which was biased in terms of geographical location.

ii) Regions: work arising from the index (Appendix C: Tables C38/41) suggested major differences between the regions in terms of density of population, proportions of urban and rural communities, and in craft populations. As each of these factors could be significant then it would appear that to apply random or quasi-random selection to the regions (ie to select two or three regions out of twelve) would provide too narrow a base for reliable results.

iii) Districts: while the existence of similar differences had been noted between the districts the mere fact that there are 56 districts as opposed to 12 regions made selection more viable. Nevertheless such a sample while contained within defined boundaries and therefore more likely to be within the scope of resources could still be biased in terms of urban or rural communities or between craft groups.

iv) Districts as tabulated: as previously recorded (Tables C38/41) there was evidence of a relationship between the craftsman/population ratio and the population/density ratio. Similarly, it was noted that a sample drawn from a list of the districts would provide a broader base yet leaving the factors of urban and rural communities and craft groups to the vagaries of random sampling. However, it was also noted that if the districts were tabulated according to the craftsman/population ratio and a systematic sample drawn from that table then it would appear to eliminate the risk of that sample being biased in all but craft grouping and at the same time being practical for survey resources.

4.5.4 After consideration of all the options available, it was decided to base the survey on a systematic sample drawn from the list of districts tabulated in order according to the craftsman/population ratio. As funding was not finalised, it was determined to proceed with three plans; one for a 5% of the districts survey, another for 10% and one for 20%.

In the case of the 5% survey, a starting number between 1 - 20 would be drawn independently and that district together with each twentieth district thereafter would constitute the survey population. In the case of a number exceeding the total of 56, the sequence would continue through 1.

Similarly in the 10% and 20% surveys with starting numbers drawn between 1 - 10 and 1 - 5 respectively, the sequences would be based on 10 and 5 respectively.

4.5.5 Following unsuccessful negotiation with an external body for funds it was decided to proceed with the 5% survey plan from private resources.

CHAPTER 5

Survey Results and Analysis

Chapter 5

Survey Results and Analysis

5.1 Introduction

The survey was carried out during the period July 23rd to August 10th 1977 in accordance with the procedure set down under para 4.2.3, that is, that the subjects were each visited at the address listed in the Index and where available were interviewed on a personal basis. There were only three exceptions: in two cases a relative of the subject named as proprietor answered the questions and in both cases this was accepted as the relative was involved in the business and there was no reason to question the accuracy of their knowledge of the business, and in one case a business listed in the Index was clearly a confusion between two separate businesses one of which had ceased to function and therefore the remaining business was allocated an identifying number and the proprietor interviewed.

5.2.1 Survey: General Results

By visiting each of the businesses listed under the total survey population it is possible to assess the accuracy of the Index which formed the basis for selection. The results are tabulated.

TABLE E1

Total Survey Population	Subjects Interviewed	Businesses no longer operating	Proprietors Deceased	Not in business at address	Not available
69 (100%)	41 (59%)	8 (12%)	2 (3%)	5 (7%)	13 (19%)

Of the businesses where absolute confirmation could be obtained, 41 out of 56 (73%) were found to be actively in business. Adjusting for sampling error using the formula $p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P) it can be said with 95% confidence that of the 1147 businesses listed in the index between 704 and 976 would be actively in business. This is, however, a pessimistic view because there was considerable indirect evidence to suggest that most of the businesses where the proprietor was not available for interview were in fact active thus increasing the overall proportion of active businesses.

There was also evidence to suggest that the index at any point in time was probably some 6 - 12 months 'behind'. There were examples where a business had ceased to function, had moved to another location or where the proprietor was deceased which clearly indicated a time-lag of that duration. While no evidence can be presented it is equally possible that a similar time-lag exists in the entering of new businesses into the lists which were the source of the index. Under these circumstances the most reasonable assumption must be that the index provides the best available estimate of numbers, groups and locations.

5.2.2 The survey results were tabulated (Appendix E2), examined, assessed and tested individually and in relation to other components within the survey.

5.2.3 In order to facilitate analysis and assessment the statistical tests are contained in detail in Appendix E3, arranged and tabulated in terms of both elements of the test and under headings of ....

A. Significant Results

B. Indicators

C. Negative Results

As it is noted (Page 322, Appendix E3) that the comparatively small sample reduces the number of significant results, it has been assumed that the tests which clear the significance values (95% at $1^{o} = 3.84$: 1 tail at $1^{o} = 2.71$) are very positive results. It is further assumed that results falling within the banding 1.50 - 2.71/3.84 are useful indicators which could prove positive in the context of a larger sample. No direct claims are made on the basis of the latter results.

Each test is identified by number and references in the text to specific tests are by that number.

5.3.1 Business Organisation

Question 1: Is the craft business run by ...

a) a sole proprietor?

b) a partnership?

c) a company?

Survey Results

TABLE E3

Result		
Sole Proprietor	28	68.29
Partnership	7	17.07
Company	6	14.64
Total	41	100.00

Adjusted for Sampling Error using the formula $\sigma_P = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

		%	95% C.I.
Sole Proprietor	(a)	68.29	53.75 - 82.83
Partnership	(b)	17.07	5.32 - 28.82
Company	(c)	14.64	3.60 - 25.64

Before embarking on my analysis of the results in this section of the survey it is necessary to examine the basic differences between the forms of business organisation under consideration.

A sole proprietor or trader, as the name implies, is a business owned by one person in his own name or under a trade name provided that in the latter case the name of the owner is registered subject to the requirements of the Registration of Business Names Act, 1916. The owner may manage the business entirely at his own discretion and may withdraw funds from that business at will. Similarly, he may close the business at his own discretion. However, what is frequently not appreciated, is that the owner is personally liable for all the debts of the business even to the extent of personal assets. If additional finance is required for the business then equally it is liable to be difficult to raise the appropriate security.

In summary, the sole proprietor has considerable freedom of action but this is obtained against a background of personal risk and limited financing possibilities.

In a partnership, there are two main sources of authority. In the first instance there is the law of partnership as embodied in the Partnership Act, 1890, and which contains the following definition of a partnership:

> "Partnership is the relation which subsists between persons carrying on a business in common with a view of profit." (8)

In the second instance partnership agreements either oral or in writing regulate the relationship between partners.

As in the case of the sole proprietor the partners are required to register their real names if the name of the firm does not contain their real names. Each partner is eligible to contribute towards the management of the business but an individual cannot withdraw funds from the business without the agreement of the other partners.

In a partnership the liabilities are unlimited with any partner being held responsible for all the debts of the business and therefore, if additional finance is required, the partners have to be able to raise the appropriate security. A partner may only terminate the partnership with the agreement of the other partners. In summary, a partner carries the same degree of financial liability as a sole proprietor and may even be held to be responsible for debts incurred by other partners while in the management of the business decisions are taken by agreement between partners.

In respect of companies it is more difficult to generalise due to the range of different types of companies in existence, however the following summary is based on a private or public limited company within the framework of the Companies Act.

Such a company has its constitution embodied in formal legal documents which are registered and is deemed to have a separate legal identity with ownership interest represented by shares which carry certain legal rights and obligations. A company is also required to supply the Register of Companies with a considerable amount of information including audited annual accounting information which is then available to the general public.

Management of the company is in the hands of the directors who are elected at the annual meeting of shareholders.

As the liability of the owners is limited to the fixed value of the shares they hold, the risk element to shareholders is a known maximum quantity. Equally, finance can generally be obtained more easily than in the case of sole proprietors and partnerships.

In summary, the company organisation shares and minimises the risk element in a business but this security is obtained at the cost of individual control or management of the business, privacy, the initial legal costs of setting up the company and other legal obligations.

In conclusion it is clear that the scale of business must be considered along with the type of organisation. While a sole proprietor does have considerably greater freedom than a partner or a company director concerning the control and management of the business this has to be allied to his ability to manage that business without assistance, with limited financial scope and with total personal liability. It should also be noted that the personal commitment to such businesses is often at the craft level and not at the management level.

It is equally clear from the structure of the different organisational types that there is a relationship between the number of people involved in running the business, the volume of business and the financial requirements.

It is therefore reasonable to expect the small volume businesses involved in this survey to be mainly organised on a sole proprietor basis grading through to the high volume businesses organised on a company basis.

Findings

The clear majority of businesses were found to be organised on a sole proprietor basis, the minority being relatively evenly divided between a partnership or company organisation.

The emphasis on sole proprietorship is probably due in part to the scale of the businesses and in part to the independent nature of the craftsmen themselves. During interview many expressed views which were indicative of the weighting they gave to independence in terms of their freedom to design and make what they wanted to produce and to their determination to organise the way in which they worked to their own advantage.

Such views are perhaps further supported by the fact that all the partnerships encountered during the survey were formed between husband and wife or between other family relationships all of which would not, in effect, jeopardise such independence. It would therefore be reasonable to combine the categories of Sole Proprietor and Partnership as a true estimate of the proportion of craftsmen seeking such independence. That estimate would therefore be approximately 85%.

Tests with business organisation as one element produced a number of significant results.

Test 1 (x^2 = 12.2) clearly confirmed the anticipated relationship between organisation and volume of business with the sole proprietors and partnerships having a substantial majority of their number with a small volume compared to the companies totally contained within the higher volumes.

Test 12 (x^2 = 4.43), Test 21 (x^2 = 2.91) and Test 99 (x^2 = 2.92) support the contention that proprietors with previous craft experience or with previous craft and business experience clearly favour the sole proprietor or partnership structure.

Test 67 (x^2 = 5.80) likewise supports the contention by the significant result linking location (home area) to organisation with a similar indication of location (environment), both being contrary to normal business principles as considered in para 5.3.10.

Test 113 (x^2 = 5.68) and Test 119 (x^2 = 4.75) linking business organisation and channels of distribution, although highly significant are more likely to be the by-product of volume of business with the companies and their larger volumes of business having either greater opportunity or requirement to distribute their product as exports or in the remainder of the U.K.

It is perhaps surprising that the negative results included the elements of previous training, previous business experience, previous or estimated development and distribution in terms of retailers or through their own retail outlet. In particular, the elements of previous training and business

experience could reasonably have been considered to play an important part in the decision making about business organisation; instead, the evidence points to previous craft experience as the formative element.

<u>Summary</u>:

A. The anticipated relationship between organisation and volume of business is confirmed.

B. The dominant element in the proprietors background which influences organisation is previous craft experience.

C. There is evidence of links between location, flexibility of objectives and organisation which combine to illuminate the strongly independent characteristics of a substantial group of these proprietors.

5.3.2 Proportion of time allocated to the craft business

Question 2: Does the craft account for ...

a) the whole of the business operation?

b) part of the business?

c) an additional form of employment?

d) if b) or c), what %?

Survey Results:

TABLE E4

	Result	%	Time (Av. %)
Whole of the business	27	65.85	100.00
Part of the business	14	34.15	60.21
Additional employment	0	0	0
Total	41	100.00	

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

		%	95% C.I.
Whole of Business	(a)	65.85	51.04 - 80.66
Part of Business	(b)	34.15	19.34 - 48.96
Additonal Employment	(c)	0.00	0.00 - 0.00

This question was included in the survey to establish the accuracy of the generally accepted view that a subsantial number of craftsmen do not earn their living by the craft alone. This view is accepted among the craftsmen themselves and evidence to support this view is contained within the SDA guidelines for inclusion in their Index, that is, that the craftsman should be engaged in the craft for a minimum of 20 hours per week before he can be so included.

Such a definition although precise in terms of the requisite hours per week is nevertheless subjective in application. For example, a crofter with a craft business is likely to operate on a seasonal basis with more hours per week devoted to the craft in winter and with less hours in summer when the demands of the croft or perhaps inshore fishing increase. In such a case it would be reasonable to assess eligibility for inclusion on average hours per week over the whole year.

Similarly, it was noted during the pilot survey (1976) that there were a number of instances where a craftsman purported to earn his living exclusively by his craft and yet it was obvious to anyone with any knowledge of the craft that his retail outlet was stocked with items which could not possibly have been made in his workshop. It was equally clear in these instances that the craftsman was engaged in his craft for part of the year and yet in the summer months he was simply a retailer selling his own goods and the work of other craftsmen. It would therefore be reasonable to assume that at least part of his income was in fact derived from the retail profit generated by the sale of purchased or loaned goods.

Therefore, during the survey, care was taken to ensure that subjects differentiated between time allocated to the craft business and to any fringe activities even though both went under the heading of one business. A similar point was made to subjects concerning volume of business.

Findings

65.9% of the subjects stated that the craft accounted for the whole of the business. The remainder stated that the craft accounted for part of the business and the proportions estimated ranged from 10% to 98% with the average over the 14 subjects being 60.21%. In only three cases was the answer given as being less than 50%. As there was no valid reason to question any of the latter results concerning time allocated to the craft as part of the business then the result can be assessed with confidence. However, the same cannot be said of the results relating to the craft business being the whole of the business. In at least three cases the subjects purported to derive their income solely from the craft business and yet made comments during interview which would not support the premise that they were engaged in the craft business for at least 20 hours per week, and further, it was clear that invalid benefit, pension/superannuation and alimony accounted for a substantial part of the income in these cases.

It is therefore clearly necessary to weigh the result of this section with care and if an adjustment can be made on these grounds then it would appear that 24 subjects (58.54%) derived their entire earned income from the craft business while 17 subjects (41.46%) derived part of their earned income from the craft business and in the latter case it can also be said that on average that part of their income was approximately 60%.

Conclusions

That a small majority of the craftsmen included in the Index derive their earned income solely from the craft business.

That a substantial minority of the craftsmen included in the Index derive more than 50% of their earned income from the craft business.

That between 3.25% and 11.39% (95% C.I.) of the craftsmen included in the Index would be unlikely to meet the criteria set for inclusion in the Index.

5.3.3 Employment

Question 3: How many people are employed in the craft business?

	Craft F.T.	Craft P.T.	General F.T.	General P.T.
a) proprietor	....	....	....	....
b) husband/wife	....	....	....	....
c) other	....	....	....	....

Survey Results:

TABLE E5

	Craft F.T.	Craft P.T.	General F.T.	General P.T.
Proprietor	32 (78.05%)	7 (17.07%)	0	1 (2.44%)
Husband/Wife	6 (14.63%)	2 (4.88%)	0	1 (2.44%)
Employees	125	36	23	18

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

		%	95% C.I.
Craft F.T.			
Proprietor	(a)	78.05	65.12 - 90.98
Husband/Wife	(b)	14.63	2.96 - 25.67
Craft P.T.			
Proprietor	(c)	17.07	5.32 - 28.82
Husband/Wife	(d)	4.88	0.00 - 11.61
General P.T.			
Proprietor	(e)	2.44	0.00 - 7.26
Husband/Wife	(f)	2.41	0.00 - 7.26

In the current climate of concern regarding high levels of unemployment it is inevitable that where public funds are being directed towards assisting the development and establishment of small craft based businesses then employment potential is likely to be an important factor - even a key factor - influencing the selection of such businesses for assistance. However, it is possible that a conflict of interests exists between the assisting bodies and the proprietors over the issue of employment potential.

During the course of this research programme an opportunity occurred for discussion of this issue with a senior member of staff of the Highlands and Islands Development Board (HIDB) who made it clear that there could be only one policy for the Board to the effect that ......

> 'The only successful businesses are those which expand or have the potential to expand in terms of their volume of business and number of employees ...... these are the businesses to be encouraged.'

Similarly, the Scottish Development Agency states that the criteria of employment potential and expansion are fundamental to their selection of businesses for assistance as follows ... (SDA 1977) ...

> "Eligible Projects
>
> First priority is given to projects which will improve the economy and employment opportunities, particularly to those which will:-
>
> (a) maintain or increase employment;
>
> (b) Make, or have potential to make a contribution to exports - either directly, by reduction of imports or by catering for overseas visitors;

(c) hold promise of significant development;

(d) provide a service to agricultural enterprises."(9)

It is therefore reasonable to deduce from these statements that the main bodies with responsibility for assisting small businesses in Scotland will give a comparatively low priority rating to a business where the proprietor indicates that he is not willing to maintain or increase employment or to enter into significant development.

As the November 1977 unemployment figures show that Scotland was the only region in the U.K. to show a rise in unemployment and as Scotland is the U.K. region with the third highest rate (8.4%) of unemployment behind Wales and the North of England then such priority rating for employment potential and growth would appear to be justified.

However, as already stated and supported by evidence there is a clear desire among a majority of craftsmen to organise their business on a Sole Proprietor basis for the purpose of maintaining the maximum freedom of operation. During the survey it became clear during general discussion of the question relating to expansion that many subjects had either consciously or unconsciously established limits to that expansion often on the basis of the twin factors of the problems of employing and a desire to retain a personal connection with the craft rather than being forced into the role of an industrial manager.

In addition, it could be argued that the bias of recent legislation has promoted employee's rights to the detriment of the employer whose ability to 'hire and fire' has been curtailed. Certainly, legislation such as The Trade Union and Labour Relations Act 1974 and the Employment Protection Act 1975 together with their Codes of Practice have set down employer obligations over a wide field including redundancy, terms and conditions of employment, health and safety at work, union and employer relationships, maternity rights, grievance procedure all of which can be said to limit the employers' freedom of action.

Likewise, it could be argued that many small businesses have not received much financial encouragement from the Chancellor of the Exchequer. Even allowing for the increase in V.A.T. threshold from £5,000 through £7,500 to £10,000 there was still considerable evidence from proprietors of resentment of the requirement to register and a general dissatisfaction over the 'paper work' requirements involved in VAT and employment with these elements being viewed as distractions from the main purpose of the business.

It would therefore appear that there is a conflict of interests between a section of proprietors - indeed, a majority of proprietors - who wish to retain their personal involvement with the craft and their freedom of action and the assisting bodies who are committed to development and expansion in terms of the product and employment. This conflict had been noted by some of the proprietors as a reason for not applying for assistance or as an objection to the pressure being applied to them as being in receipt of assistance.

The examination of business organisation revealed that approximately 15% of the businesses were organised on a company basis. Test 1 established a relationship between that form of organisation and volume of business. Analysis of the survey results in terms of employment and business organisation (Table E6) shows that the bulk of employment is provided by the company form of organisation. However, between the sole proprietors and partners who do not employ and the companies which do employ there is a group of sole proprietors and partners who are providing employment. These factors combined to suggest the hypothesis that there are three main groups with common interests, these groups being:-

A. Proprietors who prefer to accept a small turnover and in most cases a proportionately small income in order to maintain personal control and craft involvement thereby avoiding the problems of growth and employment.

B. Proprietors who may be willing to expand and employ at a carefully controlled rate which would not allow the limits of personal freedom to be impaired and where such expansion could be terminated without risk to the business.

C. Proprietors who may be looking to maximise the potential of the business.

TABLE E7

	Employment							
	Self only	Husband/ wife only	With Employees	Craft FT	Craft PT	Gen FT	Gen PT	Total
Business Organis/n								
Sole Proprietor	16 (39.0%)	2 (4.9%)	10 (24.4%)	30	22	7	10	69
Partner/p	-	3 (7.3%)	4 (9.8%)	0	14	0	3	17
Company	-	-	6 (14.6%)	95	0	16	5	116

Findings

The survey revealed that 95% of the proprietors were involved in the business on the craft level with 78% stating that in relation to the time devoted to the craft business their involvement with the craft was the equivalent of full-time.

It is interesting to note that in 19.5% of the businesses the wife/husband of the proprietor was also involved in the craft level and that in 14.6% of the businesses this was a full-time involvement.

It would therefore appear that the emphasis among the proprietors is placed on the craft and even in the company organisation 4 out of 6 'proprietors' stated that their principal involvement was with the craft although it should be noted that 2 'proprietors' stated that their role was administrative ...... these two were the largest businesses encountered.

In attempting to identify features of the groups relating to employment, a number of elements were considered as shown in Table E8 (Appendix E5).

In examination it would appear that the craft subject does not exert a major influence in the matter of employment. The larger craft groupings of (a) Jewellery appears under both headings with 71.4% ($^5/7$) of the jewellers employing, and (b) Ceramics appears under both headings with 60% ($^3/5$) of the potters employing. Conversely, Graphic appears under both headings with only 33.3% ($^1/3$) employing. Of the remainder leather, skin and horn goods appear only on the employing side and while there may be a temptation to suggest that such goods are highly popular with the tourists such suggestion could be partly counterbalanced by woven and printed materials, knitted goods and wrought iron products appearing in the group not employing.

Thereafter, a series of tests was used to establish significant differences between observed and expected frequencies relating to employment and a number of other elements. Further information relating to Sales Channels and Markets of businesses employing and not employing was collated as shown in Table E8 (Appendix E5).

Test 157 (x^2 = 29.5) confirmed through a highly significant result the anticipated relationship between employment and volume of business with the bulk of employment being provided by the businesses with the greater volumes of business.

Test 155 ($x^2 = 0.63$), Test 156 ($x^2 = 0.019$) and Test 158 ($x^2 = 1.17$) failed to establish any relationship between employment and factors related to the proprietors previous training or experience. This is a little surprising in view of the result of Test 17 ($x^2 = 2.90$) which indicated a potential relationship between previous business experience and volume of business. The only deduction that can reasonably be made is that the previous business experience of a proprietor tends to lead to the production of higher volumes of business but not necessarily through employment to a degree significantly different from those without such experience and for reasons as yet unidentified.

Test 159 ($x^2 = 1.24$) likewise failed to establish or suggest any relationship between employment and direct or indirect sales channels. Again, this is a surprising result given the relationship between these channels and volume of business as indicated by the result of Test 108, as it would be reasonable to expect that the greater volumes produced in the main by businesses employing would lead to a significantly higher proportion of indirect sales.

Test 160 ($x^2 = 0.5$) showed that there was no significant difference between businesses employing or not employing in terms of the proprietors estimate of development over the following three years.

Consideration of the factors of the proprietors age (employing, average 45.1 years: not employing 42.1 years) and duration of business (employing, average 10.7 years: not employing, average 6.6 years) could suggest the possibility of a pattern of establishment and growth leading to employment. However, it is not possible from the results of this survey to make such a claim. Research conducted over a longer period and with a higher survey population might establish such a relationship.

Conclusions

The only claim that can be made conclusively is that there is a significant relationship between employment and volume of business. Broadly, the greater volumes of production achieved in individual businesses the more employment is provided.

Thereafter, any relationship between employment and other factors was negative almost to the point of contradiction. This suggests that employment is not linked directly to any element other than volume of business and that the most likely influence is that of the forces motivating the proprietors in terms of the level and pattern of development of the business. While it is evident that all the proprietors are motivated to create their own employment, approximately half of them appear to be content with the inevitably modest standard of living which can be achieved from the proven volume of business in return for relative independence, freedom of action and expression and for job satisfaction all of which are inherent in real craftsmanship. In addition it is possible that their product/market relationship may not be capable of major development or that they may not be willing to adapt the product to a larger market and to increased production. Yet the other half of the proprietors appear willing to accept the many different challenges presented by development to employment level, and even derive satisfaction from attempting to maximise potential.

It is at this point that the conflict of interests between the assisting bodies and the proprietors is evident. While employment potential may be vital to Scotland at this time and therefore an important factor in the determination of use of public finance, the assisting bodies by their own policy statements appear to be committed to assisting only half of these businesses because of the employment potential factor. Yet every individual craftsman setting up in business is creating his/her own employment and even without moving to the employing stage is making a contribution to the employment of other retailers/wholesalers by distribution of some of the product and assisting the economy by the production of goods and services. Further, as already demonstrated, there are no clear identifying factors which would enable the assisting bodies to judge whether new or proposed businesses will develop into employing businesses except by the motivating forces evident in the attitudes of the proprietors and such attitudes cannot be considered to be constant or capable of objective assessment. It would therefore appear to be more appropriate for the assisting bodies to provide as broad a base as possible by encouraging all new craft-based businesses provided that the proprietors have sufficient craft and business knowledge to survive and regardless of employment potential and then as a second tier to assist in the development of established businesses where the essential factors are known and where the proprietor is motivated in that direction.

Projection

Using the information obtained through the survey about the numbers and types of employment generated by the businesses and then applying the results to the adjusted estimate of the minimum number of functioning businesses in the year to December 1976 it is possible to project the total employment generated by the craft businesses in Scotland in 1976.

The calculations are contained in Table E9 (Appendix E6) with the results summarised below in Table E10.

TABLE E10

Projection of Employment Generated by the Craft Business in Scotland in the Year 1976		
	Full-time	Part-time
Survey Averages/business	4.32	1.37
Applied averages to functioning businesses with 95% C.I.		
	Upper Limit	Lower Limit
Full-time employment total	4216	3041
Part-time employment total	1688	1218

Unfortunately, owing to the small scale of the survey, it is not possible to make a realistic assessment of the number or cost of jobs created as a result of grant aid to these craft businesses.

5.3.4 Duration of Business

Question 4: Date of establishment of the craft business?

Survey Results:

FIG.E1

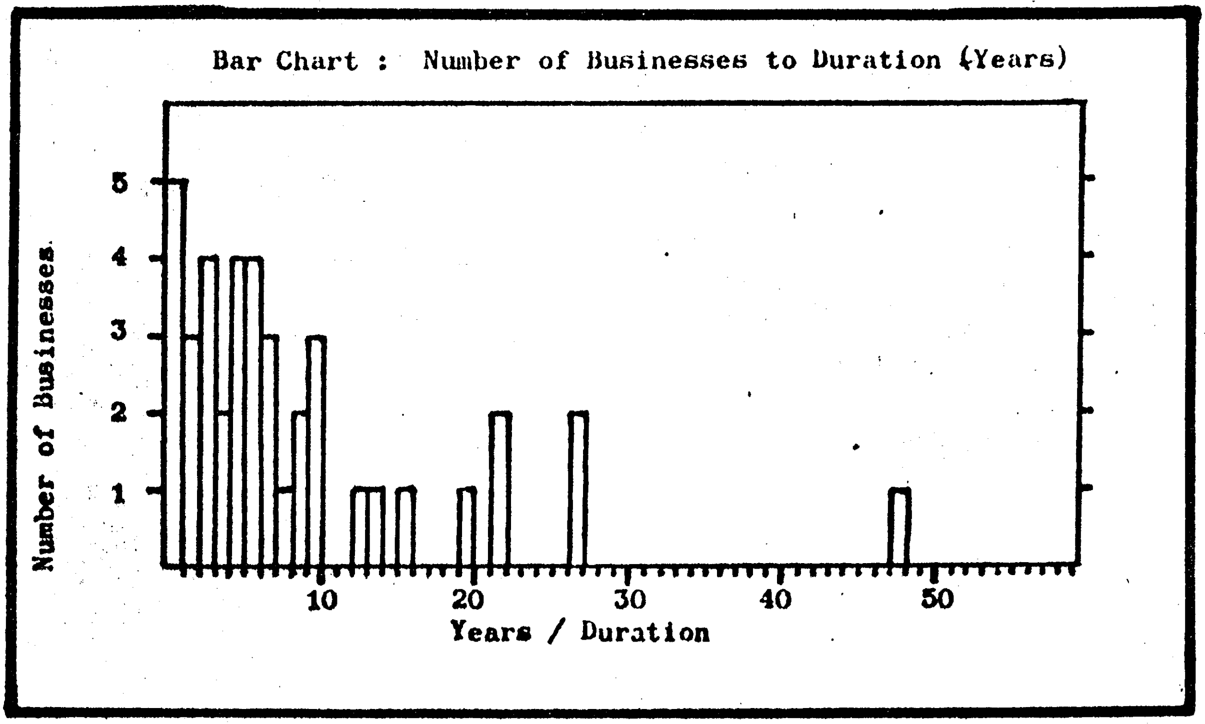
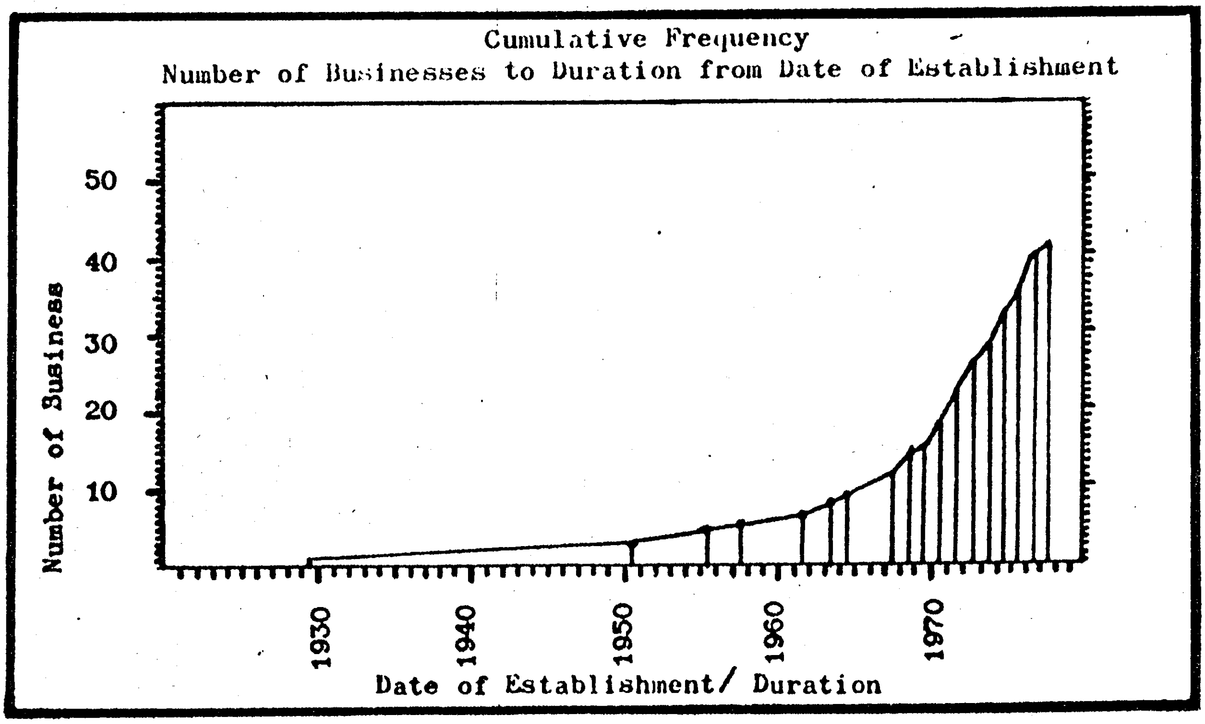


FIG.E2



Findings

The factor of duration of business is obviously important in the determination of the long-term development and survival of these small craft-based businesses. It should therefore be a matter of priority to establish the success and failure rates and to identify factors related to each.

Unfortunately, the time span of this research programme does not allow for such independent examination nor are there sufficiently accurate records available on which to base estimates. Therefore, the only supportable analysis of the facts derived from the survey is a projection over the indexed population. However, this projection has to be read in conjunction with the observations contained in Chapter 5 paras 5.2.1. The effect of the time-lag assuming a continuation of the established pattern of development will be negligible but a major swing in either direction from that established pattern might well not be noted until the following year.

Thus, a major problem is highlighted yet again. The time-lag itself means that contact with businesses ceasing to operate will be difficult and contact is necessary if the reasons for cessation are to be established and perhaps, at some future date, related to the factor of duration.

A number of simple facts can also be stated:

1. That the average duration of the businesses encountered in the Survey is 8.56 years ($^{351}/41$).

2. The annual check on sources leading to the compilation of the Index for 1976 revealed an additional 172 businesses. The projection contained in Table E11, Appendix E7, suggested that the number of new businesses would lie within the range 86 to 119. However, as it had also been noted that the SDA source had included an up-dating of businesses in the HIDB area without any indication of their actual date of establishment then it is reasonable to assume that the figure 172 is inflated. Therefore, the two sets of figures cannot be said to be in conflict.

Conclusions

It must be stated that, so far as I know, the findings of the survey provide the most accurate assessment of duration available and that the related factors concerning the reasons for success or failure remain unidentified.

In this context, and because of the importance of knowledge in this area, it would be reasonable to propose that all the bodies concerned should combine to arrange for a regular six to twelve month check on every business incorporated in their Index. This 'check' would be specifically for continuation of businesses. Such information could then be incorporated in a 'register' of businesses which would contain base information on date of establishment, date of closure and where possible reasons for closure. By this means, information could be available to those with responsibility for decision making in this field.

5.3.5 Assistance by Grants

Question 5: Has the business been assisted by a grant?

a) Yes .... Source ....

b) No ....

Survey Results

TABLE E12

Source	In receipt of grant Result	%	Not in receipt of grant Result	%
	13	32.5	27	67.5
S.D.A.	9			
H.I.D.B.	4			

Note: Total of replies -40; one subject uncertain.

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

	%	95% C.I.
In receipt of a grant (a)	32.5	17.69 - 47.31
Not in receipt of a grant (b)	67.5	52.69 - 82.31

General Considerations

Some aspects of financial assistance to proposed or existing businesses from bodies such as the SDA and HIDB have already been considered under the section dealing with employment - aspects such as the pressure to use public finance for the provision of employment and the difficulty of identifying potential employers.

However, such consideration should not precede the matter of principle concerning financial assistance to private enterprise from public funds.

For example, it could be argued that finance is available from a variety of sources at commercial rates. Banks, financial institutions and private investors are usually willing to consider any business venture which could reasonably be assessed as potentially profitable and with an acceptable risk element. Therefore there should be no need to use public finance for this purpose.

Yet, in practice and from experience, such sources are seldom utilised or made willingly available to these businesses. A similar although wider view was expressed by C.C. Pocock (1977) when he observed that the U.K. birth rate of small businesses compared unfavourably with other countries. In suggesting three reasons for this unfavourable comparison he cited the burden of taxation, availability of finance and the coils of red tape, and elaborated on availability of finance as follows:

"We are told that obtaining finance is less of an inhibition, and I am sure bank managers do try to help. But a small entrepreneur is rightly chary of tying his survival to any institution. What he really needs is the ability to scratch and save his first £5,000 himself from his own after-tax income, and the ability then to touch his friends - or those who have some faith in him - for similar amounts. Unfortunately, neither of these two sources is likely to be available today." (10)

Pocock continued to discuss ways in which such small businesses could be assisted.

"What is needed? Above all, perhaps, a change of attitude in all of us - a fundamental acceptance that you cannot organise everything and you should not try to. The West German example is indicative. The small business sector is encouraged as an article of economic faith. Support of small units is a Federal principle, and at the State level the so-called Handwork or artisan sector is given special status and access to favourable financing." (11)

As the craft businesses would clearly be encompassed by the 'artisan sector' this in turn prompts consideration of the factors which make such businesses unattractive investment material.

As already considered and deduced under the section concerning business organisation, a majority of these businesses are organised by the proprietors so as to achieve maximum freedom of operation. Therefore there is the obvious conflict between that concept and the requirement of an investor to secure and protect that investment. Further, it is unlikely that sufficient personal assets can be raised by a new graduate or by younger craftsmen to act as security against a loan, although this may be less of a problem for 'middle-aged' or 'retired' entrants who have had more time to accumulate personal assets. In addition there are the factors of the time-gap between the establishment of a business and profitability, and confidence based on record, knowledge and previous experience. However, the most significant factor to a knowledgeable investor would be the product/market relationship, and it is at this point that a major obstacle is encountered. Aubrey Wilson (1971) lists six stability factors for consideration in selecting new products for development, (1) durability of market, (2) breadth of market, (3) possibility of captive market, (4) difficulty of copying, (5) stability in depressions and (6) stability in wartime.

While these factors will be discussed fully under the marketing section, one of these factors, stability in depressions, is of immediate significance as described by Aubrey Wilson:-

> "A product distinctly in the luxury class, where purchases can easily be postponed, will be rated very poor, while one that is an essential constituent in staple low-priced consumers' perishables will get a rating of very good." (12)

There is little doubt that the vast majority of the product of these businesses fall in the luxury class or at best immediately below the luxury classification and thus to financial institutions and private investors such businesses are because of the product 'high risk'.

In addition, there is a long history of Chancellors of the Exchequer using taxation to regulate supply and demand and in particular using Purchase Tax to restrict demand for luxury goods. From personal experience in the design and manufacture of jewellery and silversmithing products over a period of approximately 10 years under Purchase Tax, the rate of tax on jewellery was never below 25% and for most of that period was levied at 50% or 55%. While the introduction and implementation of V.A.T. has produced a levelling effect there is the continued suspicion that higher tiers of tax could again be imposed on luxury goods.

Thus, it is perhaps understandable that the traditional commercial sources of finance even with the prospect of good returns due to high interest rates are not generally enthusiastic about the possibility of investing in these businesses. Therefore many of the potential businesses looking for initial capital or established businesses considering expansion will be forced to rely on personal assets, profits generated and public funds if available.

The increasing problem of unemployment during the latter 1970s and the generally pessimistic tenor of projections to the 1980s suggest that this factor could reach critical proportions. Public funds have been allocated to job creation which has variously been described at worst as cosmetic and at best as short-term. It would therefore appear equitable to apportion public finance to the establishment and development of small businesses if only for the employment of the proprietors, and indirectly of suppliers and retailers, as a longer-term investment. However, the problem of duration of support identified by this survey would have to be clarified.

This concept would appear to have some political support although on a broader base concerning small businesses; thus, the Scottish Council of the Labour Party recognises that use of public funds for this purpose is justified:-

The Labour Party Scottish Council (1977)

> ".......: without a faster rate of formation and development of new companies, the economy will become ever more concentrated in the hands of larger industrial groups, and much of the flexibility that the small firm sector provides will be lost. We call for a conscious and stated policy commitment to encourage Scottish entrepreneurs and industrialists to set up their own businesses, and in support of this we suggest that there are a number of steps that can be taken to help the sector.
>
> (a) At the national level, we urge the government to investigate the taxation burden that is borne by small firms in the period following formation. We would urge that taxation foregone in a firm's initial phase will be fully recouped at a later stage if the company is given a chance to grow.
>
> (b) We would also wish to see any present restrictions about entrepreneurs who have failed being prevented from claiming unemployment benefits removed: it is surely essential to provide some safety net if individuals are to take a risk and devote their energies and time to establishing new industrial enterprises that will contribute both output and employment to the national economy.
>
> (c) We would suggest that consideration be paid to the possibility of giving grants to small companies to enable them to employ specialist management personnel in critical areas of their operations. This would allow the entrepreneurs to concentrate their attention on their original purpose. We also feel that such investment may well be ultimately more valuable than an equivalent amount of resources devoted to capital investment............." (13)

Similarly, C. C. Pocock concluded his lecture as follows:-

> "I think it's common sense not to delude ourselves that shoals of new jobs are going to come from big corporations. The delusion is tempting because bigness is

> easier to 'organise'; government likes big units because they can be regimented. We like them too, and we can make them work efficiently. But it is not enough. Society needs a healthy small business sector, and we need to help it flourish." (14)

Thus there would appear to be general agreement that a healthy small business sector is a necessary part of society and the economy and further that the current state of these small businesses in Scotland is not healthy. In addition it is clear that there are problem areas such as taxation, expertise and availability of finance and that in the latter case industry and government have a role to play with grants and loans being one element.

Currently, the SDA and the HIDB are the principal vehicles for the disbursement of grants and loans for craftsmen and small businesses generally in Scotland. The following synopsis of these grants and loans is extracted from SDA publications:-

> "Apprenticeship Training
>
> To enable master craftsmen to take on young apprentices for practical instruction and training, discretionary grants can be given to offset the cost of wages and maintenance during the first two years of the apprenticeship.
>
> Bursaries
>
> Practising craftsmen may be given a bursary to attend special courses which will help them extend their techniques.
>
> Crafts Entrants Scheme
>
> To assist new craftsmen to set up in business, grants of up to £750 may be made to graduates from Colleges of Art and those with equivalent training who propose to earn their living in Scotland by full-time craft working.

Craftsmen's Grants

Special grants, up to a maximum of £500, may be awarded to established craftsmen for up to fifty per cent of the cost of an approved programme which is designed to raise their standards of production and increase output.

Loans

The Agency can offer loans within specified limits and with suitable security, for building projects, purchase of equipment and working capital." (15)

It would therefore appear that there is a good opportunity taking account of the present role of the Agency for the use of public funds in the form of grants and loans to these small businesses and further, that more funds may have to be so allocated along with changes in taxation and the provision of services if these small businesses are to play a fuller role in society and in the economy.

Findings

It was established that 32.5% of the subjects had received a grant from either the SDA or the HIDB. Although one of the subjects insisted that his grant had been received from "The Small Businesses Agency" this is probably an error based on the reorganisation which took the former SICRAS (Small Industries Council for Rural Areas of Scotland) into the SDA (Scottish Development Agency). The manager of the Small Firms Information Centre in Glasgow agreed that this was the most likely explanation. It has therefore been assumed within the results that the source was the SDA.

As this group of businesses has received grants from public funds it is of value to identify any differences that may exist compared to the businesses which have not received such assistance. Tables E13 and E14, Appendix E8, contain the basic information which was used for a series of tests.

Test 162 ($x^2 = 6.2$) confirmed the anticipated relationship between assistance and the formal training of proprietors particularly in view of the SDA craft entrant scheme. It is interesting to note that of the 9 subjects receiving assistance from the SDA, 7 had training to graduate or apprenticeship level and 2 had no formal training. Of the 4 subjects receiving assistance from the HIDB, 1 had training to graduate level, 1 had been on a special course and the remaining 2 had no previous training. Clearly, the numbers involved are too small to be a base for conclusions but results from a larger survey could be important.

Test 6 ($x^2 = 2.65$) provided an indication that there might be a link between greater confidence regarding future development and businesses in receipt of assistance.

Thereafter, tests failed to establish or even indicate differences between assisted and non-assisted businesses in terms of structure (Test 161) or performance (Test 4). The latter result could perhaps be considered to be evidence against the 'production' and 'employment' objectives of the assisting bodies. Yet other factors should be taken into account: in terms of duration, the assisted businesses averaged 5.8 years to the total survey average of 7.6 years (in both cases excluding the one exceptional result); the average age of the assisted proprietors is 39.2 years compared to the survey average of 43.5 years. Thus the result has to be weighed against the facts that the assisted businesses do not appear to have been in business for as long and the proprietors are younger than their non-assisted counterparts.

Conclusions

Approximately one in three businesses encountered in the survey were in receipt of assistance from either the SDA or the HIDB.

Examination of problems associated with sources of finance suggest that assistance from public funds is probably necessary because of constraints existing in the open investment field. There is also evidence to suggest that serious consideration should be given to providing, in the national interest, greater assistance and incentives.

The survey provides an indication that assisted businesses may be more confident of their development over the following three years perhaps because they have the 'strength' of the assisting bodies around them. However, the survey also suggests that there is no actual difference in performance although there are likely mitigating factors such as duration.

However, perhaps the most encouraging factor is that there is clear evidence that assistance is being channeled towards proprietors who have formal training. Over the years, there has been much criticism of the poor standard of craft products in Scotland. Perhaps this is not too surprising when the likely numbers of proprietors without any form of training and/or experience is noted; at least, public money appears to be being directed towards a level of minimum proven ability.

Therefore, on balance, it is reasonable to conclude that the real return on investment from public funds cannot as yet be measured because it is on a long-term basis beyond the scope of this programme of research. Indeed, it may not be possible to make any realistic assessment until the middle to late 1980s when the assisted businesses will have had some 10 - 15 years in which to prove their powers of survival and demonstrate their pattern of development.

5.3.6 Training and Previous Experience

General Considerations

Prior to a detailed examination and assessment of the survey results over the field of training and experience it is perhaps of value to consider these elements from the point of view of the public - particularly, the buying public.

The dictionary definition of craft is ... "dexterity: art: skilled trade: occupation: ...", and the definition of a craftsman is ... "one engaged in a craft;". (16)

Historically, a person learning a trade or craft was an apprentice and for a substantial period of years. A craftsman was someone who had served the period of apprenticeship and achieved the required standards, while a master craftsman was someone who had achieved the very highest standards.

Therefore, from both historical context and modern usage, it is reasonable to expect that persons calling themselves craftsmen should have undergone a substantial period of training and have achieved a standard of skill which sets them apart from those who have not undertaken such training and well beyond the level which could be attained by members of the general public who have had an interest in that craft on a recreational level.

Today, most professions demand evidence of set periods of training and standards before institutional approval can be granted to those claiming to be doctors, architects, lawyers and in Scotland, teachers.

In this context it is interesting to consider the implications of the Trade Descriptions Act 1968 which is introduced as follows:-

> "An Act to replace the Merchandise Marks Acts 1887 to 1953 by fresh provisions prohibiting misdescriptions of goods, services, accommodation and facilities provided in the course of trade;". (17)

Thus the Act covers the accuracy of descriptions of goods and services both of which are offered widely by the businesses being considered in this examination and under the umbrella of craft.

The following extracts from the Act are particularly relevant to these businesses:-

> "2.- (1) A trade description is an indication, direct or indirect, and by whatever means given, of any of the following matters with respect to any goods or parts of goods, that is to say -
>
> (a) quantity, size or gauge;
>
> (b) method of manufacture, production, processing or reconditioning;
>
> ....
>
> (i) person by whom manufactured, produced, processed or reconditioned;
>
> .... " (18)

> "3.- (1) A false trade description is a trade description which is false to a material degree.
>
> (2) A trade description which, though not false, is misleading, that is to say, likely to be taken for such an indication of any of the matters specified in section 2 of this Act as would be false to a material degree, shall be deemed to be a false trade description.

(3) Anything which, though not a trade description, is likely to be taken for an indication of any of those matters and, as such an indication, would be false to a material degree, shall be deemed to be a false trade description.

(4) A false indication, or anything likely to be taken as an indication which would be false, that any goods comply with a standard specified or recognised by any person or, implied by the approval of any person shall be deemed to be a false trade description, if there is no such person or no standard so specified, recognised or implied."

"4.-(1) A person applies a trade description to goods if he -

(a) affixes or annexes it to or in any manner marks it on or incorporates it with -

(i) the goods themselves, or

(ii) anything in, on or with which the goods are supplied; or

(b) places the goods in, on or with anything which the trade description has been affixed or annexed to, marked on or incorporated with, or places any such thing with the goods;

(c) uses the trade description in any manner likely to be taken as referring to the goods." (19)

Thus it is clearly the object of the Act to ensure that products and services are correctly and accurately described.

The businesses under consideration widely state or imply that they are craft businesses and that their product is craft made. It is even the practice of the HIDB to offer a 'craftmade' label as an indication that a product has been produced within their area.

As it will be demonstrated that only a minority of proprietors have undertaken any formal training in their craft and further that only a small majority have any previous craft experience then it could be said that a substantial number of persons are claiming to be craftsmen when they have no means of justifying that claim and by so doing are misleading the public concerning the standard of their knowledge, skills and ability in the craft and in the standard of their product.

Likewise it could be argued that bodies such as the SDA and HIDB by including persons in their published lists of craftsmen who cannot substantiate their claims to be craftsmen, and by issuing labels which could be held to be authentication of the fact that goods are made by craftsmen, are also misleading the public.

The strict legality of claims relating to the definitions of 'craftsman', 'craftsmanship', 'craft products' and 'craftmade' is outwith the scope of this examination. However the principle is central to this examination in relation to the standard of product, producer/consumer relationships, the preservation and development of skills and techniques and the values attached to skills by society.

5.3.7 Training

Question 1: Have you received a training in the craft through ....

a) F.E. OR H.E.?

b) Trade Apprenticeship?

c) Special Course?

Survey Results:

TABLE E15

	Result	%
F.E./H.E.	8	19.51
Trade App/ship	7	17.07
Special Course	7	17.07
None	22	53.66

Note: 3 subjects had received training under more than one of the above categories

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

		%	95% C.I.
F.E./H.E.	(a)	19.51	7.13 - 31.89
Trade App/ship	(b)	17.07	5.32 - 28.82
Special Course	(c)	17.07	5.32 - 28.82
None	(d)	53.66	38.09 - 69.24

Introduction:

The object of the question relating to formal training was to ascertain the level of proven ability and knowledge among the proprietors concerning their craft or complementary subject areas. The question was structured to show proven ability at graduate level, for example, of an art, design or technical nature; at trade apprenticeship level, for example, in a formal apprenticeship or at least in evidence of a reasonable period of time served under a craftsman; and at the level of special courses, for example, on a day per week basis for a year in a college or for a period of days or weeks on a special craft course.

In assessing the results, clear emphasis will be placed on the graduate and trade apprenticeship level as it is reasonable to deduce that these categories provide evidence of a level of skill and knowledge which can be quantified, while the special course category can only be assessed as evidence of a minimal attempt to achieve formal training which cannot be quantified.

It should also be noted that this division does not assume or imply that proprietors without formal training are devoid of knowledge and skill in their subject - on the contrary, there was considerable superficial evidence during the survey to suggest that these proprietors had achieved varying levels of skill - the problem being that judgement of their abilities would have been both time consuming and relatively subjective.

Findings

The survey revealed that 15 (36.6%) of the subjects had received a quantifiable training in the craft or complementary subject. A further 4 (9.8%) had undertaken some formal training. The remainder, 22 (53.7%) had not received any formal training in their craft or in a complementary subject.

Thus it can be said that more than half of the subjects had not received any formal training, and that only one in three had received a quantifiable training in the craft or complementary subject.

It is therefore important to test for distinguishing features which may be the result of the formal training factor as evident in performance. Basic information about the group is contained in Table E16, Appendix E9.

Test 162 ($x^2 = 6.2$) has already confirmed the relationship between training and assistance.

Test 79 ($x^2 = 7.03$) pointed to a strong relationship between proprietors with formal training and the decision to locate the business in terms of the availability of a suitable property or site. In view of the fact that this element of location is not considered to be of prime importance - a matter discussed in more detail in para 5.3.10. - it is worthy of further consideration. It is reasonable to assume that these proprietors who have either undergone some 3 to 4 years training in a college or some 4 to 5 years working 'in the business' would be aware in varying degrees of elements such as the customer and his/her requirements, the physical requirements of their craft such as space, facilities and tools, and of the general services necessary. Each proprietor had the opportunity to state an alternative priority reason for location, yet each cited property.

While it is obviously dubious to suggest that these proprietors, in answer to the survey question, gave 'the wrong answer' that possibility must be considered nonetheless. From experience with graduate and post-graduate students about to embark in business, the availability of premises is often seen as critical and as such would probably rate as certainly _a_ if not _the_ priority ...... but that does not mean that other extremely important elements such as their potential market have been ignored, indeed they have been priority considerations up to that point in time. With this in mind, the strong link between training and location by property or site priority becomes understandable and is placed in perspective: it could easily be the practical priority of the moment; it may not be the overall priority for location. While a parallel argument could be advanced for proprietors with previous business experience it is doubtful if it would have the same force. This argument certainly could not be applied to other groups. For example, large scale businesses may be extremely limited in choice of location by the availability of a suitable site.

Test 115 ($x^2 = 4.74$) indicating a positive correlation between training and the distribution of more than 20% of the product outwith Scotland and in the remainder of the United Kingdom is likewise difficult to explain in direct terms. There does not appear to be any direct reason why a higher proportion of proprietors with training should manage to 'spread' their product over this wider area. Test 8 shows that it does not relate to volume as there is no significant difference between the groups. Nor is it related to the market in terms of Tests 95, 109 or 121. The only element not eliminated by a negative result and which appears capable of producing a reasonable solution is the product itself: it is possible that the formal training element in the proprietors results in a product which is sufficiently different in design or workmanship and related standards to 'require' wider market. For example, the product may be aimed at the 'top' end of the market ...... London would be a suitable location. That market could also be more lucrative.

Test 11 ($x^2 = 1.59$) provides an indication that proprietors with formal training might be more likely to be optimistic about future development and may be more influenced by environment in their choice of location than the proprietors without training. However, these indications cannot be substantiated.

It was also noted that the proprietors with formal training were, on average 5 years younger and had been in business for a marginally shorter time (excluding the exceptional result, W 32 from both).

Conclusions

The element of formal training of the proprietor does not appear to influence the current performances of these businesses. However, as the proprietors are younger and have been in business for a shorter period, on average, then differences in performance might become evident in the future if they remain in business.

Formal training does appear to play some part in shaping the business. It is more likely that they will be able to gain assistance to establish or develop their business. It is probable that they will be distributing a higher proportion of their product out of Scotland and in the remainder of the United Kingdom and this may be due to a different product. The location of these businesses too may be influenced by the training element although there must be some doubt about the form that influence takes.

But perhaps the most important statements that can be made are, firstly, that because these are the businesses most likely to get assistance then any influences exerted by them as a group could become a stronger influence over the whole if assistance is increased and, secondly, that they still have to prove what, if any, influences they will have.

5.3.8 Previous Experience

Question 2: Prior to the establishment of the business did you have ......

a) Previous Craft Experience? ....

b) Previous Business Experience? ......

Survey Results:

TABLE E17

	Result	%
Previous Craft Experience	23	56.10
Previous Business Experience	17	41.46
Previous Craft & Business Experience	12	29.27
None	13	31.71

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ ($Q =$ 100-P)

		%	95% C.I.
Previous Craft Experience	(a)	56.10	40.60 - 71.60
Previous Business Experience	(b)	41.46	26.07 - 56.85
Previous Craft & Business Experience	(c)	29.27	15.06 - 43.48
None	(d)	31.71	17.18 - 46.25

Introduction:

As under the section relating to formal training, the objective of the question was to ascertain the proportion of proprietors with previous experience in either or both of the craft and business areas. As the weighting attached to a particular form of experience relating to the current business would tend to be subjective, the question was kept as simple as possible and to an either/or situation. Thus the results clearly differentiate between those proprietors with previous experience and those without previous experience but the results do not give any indication of the duration and suitability of that experience.

Previous Craft Experience

Findings

The results show that 23 (56.1%) of the subjects had some previous craft experience before embarking on their current business. As previously stated, however, that experience could have been at any level or for any duration. Therefore it is the negative factor which is the more significant, with the implication that a very substantial minority of the subjects had no previous craft experience of any kind or duration before embarking on their current business.

Similarly, the results show that 17 (41.5%) of the subjects had previous business experience with the significant negative factor that a majority did not have previous business experience of any kind or duration before embarking on their current business.

The results also show that there were 12 (29.3%) of the subjects who had both previous craft and business experience with the significant negative factor that 29 (70.7%) of the subjects did not have experience in craft and business before embarking on their current business.

Finally, the results show that 13 (31.7%) of the subjects did not have any experience of any kind or duration in either craft or business prior to the establishment of their current business.

It is therefore important to test the performance of these groups against the performance of the survey population as a whole to identify any relevant factors.

Tables E18 - E21, Appendices 10 - 13 contain base information from which tests were developed.

Previous Craft Experience

Test 12 ($x^2 = 4.43$) provides evidence to show that the previous craft experience of a proprietor influences the shape of the business and is associated with a strong movement towards the sole proprietor and partnership forms of business organisation. This movement is not surprising bearing in mind the equally strong views and feelings expressed by craftsmen to me over the years and repeated during the survey concerning individual commitment to the craft - not to business methods, or size, or growth - but to the craft itself. There can be little doubt that for some, if not a majority, of these craftsmen 'work satisfaction' is virtually synonymous with 'creative satisfaction' and with their freedom to express themselves. Success and status in business terms may well be associated with pride in that creative ability and survival rather than with profit and growth as such.

Test 110 (x^2 = 4.37), providing confirmation of a link between previous craft experience and a higher proportion selling the majority of their product through their own retail outlet was also anticipated for two reasions. Firstly, those with previous craft experience are the more likely to have been involved in the selling aspect of craft work and should therefore be aware of the inherent advantages; this aspect is considered in detail in para 5.3.13. Secondly, from experience, there is a particular satisfaction to be gained from individual completion of a project - in this case from the concept through definition and production to the customer and user whether it be commissioned or made for direct sale to the public - a satisfaction which could not be fully appreciated without that experience.

Test 152 (x^2 = 2.88) confirms the anticipated tendency for the older proprietors, remembering the low average duration, to have had more opportunity to gain experience. Only a minority of the younger craftsmen have that experience. This may be due to problems of job opportunity or it may be the result of a strong desire to 'get started'. From contact with teaching colleagues in England it appears that there is limited opportunity for graduates to obtain 'in training' or immediate post graduate work experience. In Scotland, in many crafts, such opportunities are extremely limited, even rare. It is probable that the situation is similar for all levels of potential entrant. Examination of the employment element has shown that opportunity exists albeit limited, because these businesses do provide some employment. There may be a problem of matching supply and demand: the craft businesses are diverse, scattered and do not usually engage in wide spread advertising. However, as a listed craftsman who does not specifically advertise at all, I have received some twenty to twenty five letters or circulars over approximately four to five years from young people aged sixteen to about twenty one looking for training or work experience which, unfortunately, could not be provided. In short, there is reason to suspect that some young proprietors may have genuinely tried to gain prior craft experience, been unsuccessful, and simply established themselves in business direct. This is an aspect which could have been the subject of an additional or modified question in the survey and which, in future, warrants much closer examination.

Test 128 ($x^2 = 1.97$) provides an indication of a possible link between previous craft experience and a reluctance or inability to expand. Clearly, there could be links in terms of approach and attitude associated with observations arising from Test 12. Again, further examination in the future could be important.

Thereafter, despite an extensive series of tests, no significant or indicative evidence was found for links with other factors.

Previous Business Experience

Test 17 (x^2 = 2.90) confirmed the anticipated relationship between previous business experience and a greater potential to achieve higher volumes of business. Some of the proprietors in this group also had previous craft experience and they will be examined separately as a sub-group. However, the point to be noted immediately is that of 10 proprietors with experience in both areas, 6 accounted for most of the businesses in the lower volumes of business suggesting that business experience separately is a very powerful influence concerning higher volumes of business and with factors associated with volume.

Tests revealed a number of interesting indicators. Test 81 (x^2 = 3.52) must be considered in the context of location and training (5.3.7 Test 79) and with the possibility of immediate practical rather than considered business priorities. Test 135 (x^2 = 1.99) suggests that proprietors with previous business experience might be found to be the more confident of past and future development. Test 123 (x^2 = 1.99) likewise suggests that a high proportion of proprietors with business experience may become involved in exporting a significant element of their product although that could be due to a relationship with volume.

Further tests did not establish any clear association with any other factor.

Previous Craft and Business Experience

There is some confirmatory evidence in Test 21 ($x^2 = 2.91$) to support the view expressed above (ref. Test 17) that the force of previous experience is marked - indeed, on this evidence it is extremely powerful attracting all the proprietors with experience in both to the sole proprietor form of organisation.

There is some indication that the proprietors with previous experience in both areas may be LESS ~~more~~ inclined to sell a substantial proportion of their product outwith Scotland in the remainder of the United Kingdom and to locate their businesses in terms of the property priority (Tests 82 and 118). These indicators are not wholly consistent with the findings for the separate groups; for example, there was an indication of a greater tendency to export in the proprietors with previous business experience and no indication of a link with 20% + sales in the remainder of the U.K. in proprietors with either craft or business experience. The link with location by the availability of a suitable property or site has already been explored and the only surprise is that the result is not significant in view of the individual experience results. These combine to suggest that the elements of experience may be like metals used to form an alloy - the alloy characteristics do not necessarily relate directly to those of constituent metals - a new metal is created with its own set of characteristics.

However, the numbers involved are small and there is risk in placing too much emphasis on possibilities. There is sufficient evidence to suggest that proprietors with previous craft and business experience are influenced by one element or the other, but overall the group reaction cannot be described as the 'middle', 'average' or 'aggregate' of individual influences.

Proprietors without Previous Craft or Business Experience

Initial consideration of Table E21, Appendix E13, suggested that the group of businesses where the proprietor had no previous experience at all differed very little from those where the proprietor had experience. Although not centred specifically on the group the negative tests under the previous heading support this view and as the group is small separate tests would serve little purpose.

Expanding on information contained in Table E21, it was found that the missing element of previous training, which could have been a critical factor in comparison of performance, was likewise virtually identical (38.5% Group without/36.6% Group with previous experience).

Conclusions

What then is the value, if any, of either craft or business experience of the proprietor prior to the establishment of the business? The answer, in terms of significant evidence, is that there is no difference in terms of shape or performance ... and therefore there is an immediate temptation to draw the conclusion that such experience is worthless. This would however be a rather narrow and short sighted view. As already noted, it is not possible to compare the groups in terms of survival: for example, the businesses where the proprietors have previous business or craft or combined experience might represent 75% of those with similar experience who started out in business whereas the group where the proprietors have no previous experience might represent only 10% of similar businesses starting. Fictitious figures certainly, but underlining a serious gap in our knowledge ...... the rate of failure and the causes of failure. Equally, the factor of duration is short. It is not possible to project the effect of previous experience on development in the future.

Therefore, the only conclusions which can be drawn from evidence provided by the survey on the factor of previous experience are:-

a) That previous craft experience tends to shape the business in the mould of the independence provided by sole proprietor/partnership organisation, and of similarly independent sales channels.

b) That previous business experience likewise tends to shape the business towards a stage of development capable of attaining the higher volumes of business.

c) That previous craft and business experience has an influence towards the more independent form of business organisation but, thereafter, the proprietors appear to be influenced to differing degrees by the two elements with the overall effect not necessarily being the sum of the two elements.

d) That there is little difference in shape or performance of the business where the proprietors have no previous experience.

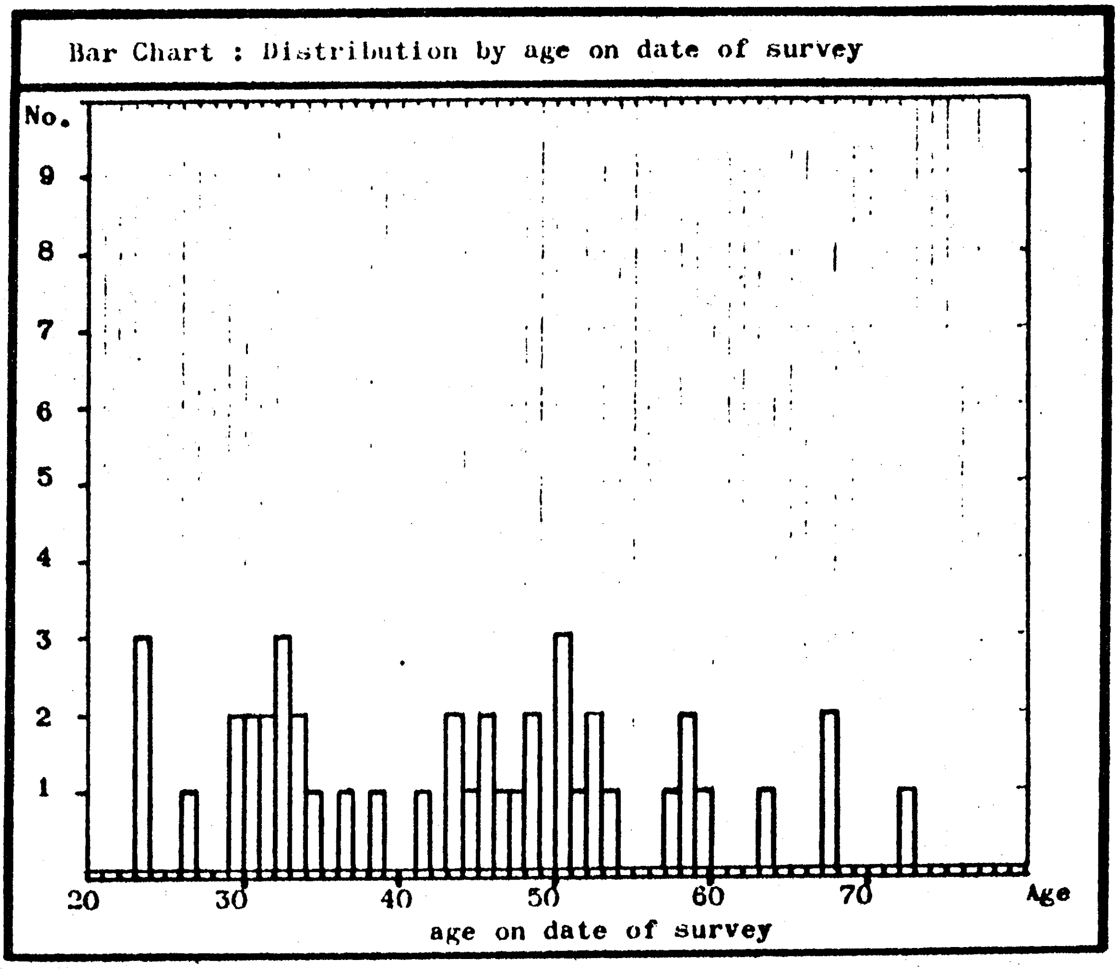
e) That a major gap in information, rates of failure and reasons for failure, prevents a positive assessment of the value of previous experience of the proprietor to the business.

5.3.9 Age of Proprietor

Question 3: Present age of Proprietor? ....

Survey Results:

FIG. E3



Introduction:

The factor of age of the proprietor may be important in a number of different ways. For example, if the results revealed that a substantial majority of the proprietors lay in the 55+ years age group then considerable doubt would be cast on the long-term development of these craft businesses. Similarly, weighting towards the younger age groups would perhaps suggest that the overall number of these businesses was increasing.

However the age factor may also be linked to other factors such as performance in business or even more widely linked to social trends with the establishment and ownership of a small business providing a release from the pressures of employment in large scale industry or acting as the vehicle for relief to the proprietor and his family from an unacceptable urban environment.

Therefore the simple expression of the results as contained in Figures E3 and E4 demands further consideration.

Findings

Figure E3 illustrates the distribution by age of the proprietors on the date of the survey. The chart shows a much wider and more even distribution than expected. Visually, there appears to be two major groups; the younger broadly between the ages 30 to 40, the older between 43 and 53. A series of tests based on these age groups was prepared.

Test 143 ($x^2 = 3.50$) provided a strong indication that in a larger survey, a positive link might be found between the age groups and business organisation with the younger age group centred entirely on the sole proprietor and partnership structure and the older age group providing a minority of their number (25%) towards the company structure.

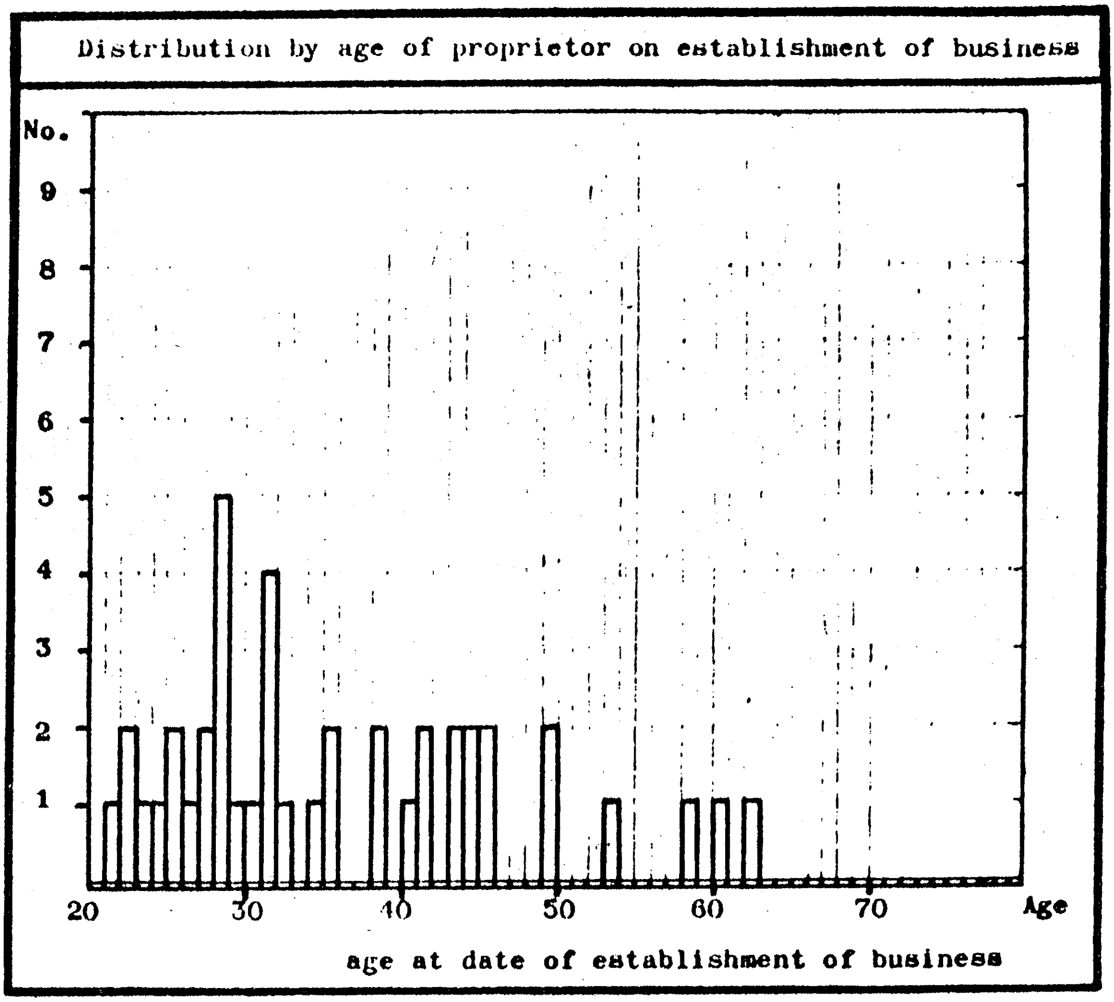
Thereafter, Tests 144 to 148 found that there was no significant difference between the age groups in terms of performance (volume) or the previous training and experience of the proprietors.

Given stable economic and trading conditions over a prolonged period of years and a greatly increased average duration in business the distribution would not appear to suggest any major problem; there are high and low points but with the given conditions there is some evidence to suggest that in 10 - 15 years time and with new entrants a reasonably even distribution by age would continue.

The more important point is to examine the distribution by age at the date of establishment of the business as contained in Fig. E4, page 121. Again, the visual evidence appears to suggest two groups with a division in the mid-thirties.

Test 152 ($x^2 = 2.88$) confirmed the anticipated relationship between the age of the proprietor on establishment of the business and previous craft experience. A very substantial majority of proprietors in the older age group when they started the business had previous craft experience compared to a minority in the younger age group. This had been anticipated if only on the grounds that these proprietors would have had more opportunity to gain such experience. This result is possibly supported by a negative result, that pertaining to previous business experience (Test 153 ($x^2 = 0.21$)). It is strange that there should be such a large difference between the two results when it can be argued that the same opportunity applied in both cases and by the combined results (Test 154).

FIG. E4



Distribution by age of proprietor on establishment of business

Yet the proprietors in this age group contain a much smaller proportion with formal training suggesting a different entry route which in turn suggests further consideration.

In general terms, one would expect the 35 years and under age group at the time of establishment of the business to contain a good proportion of graduates or trade trained proprietors with less experience and who would not normally have achieved positions of notable authority or responsibility in organisations or employment.

In the 36 years and over age group however, one would reasonably expect to find proprietors who had attained positions of some authority or responsibility in other organisations or in previous employment, who would therefore have experience and who would be on or about their maximum earning potential. Within the group one might well find proprietors who had moved into the crafts as a release from the pressures of industry and commerce. In the older part of this age group it would be possible to find proprietors who had turned to the craft as an occupation, following early retiral, providing a source of activity and supplementary earning.

While the survey did not require detailed information about previous career pattern informal conversation with subjects supported all these possibilities without providing quantifiable results. For example, one subject had spent his career lifetime in the colonial/foreign service in many different parts of the world; he also had a lifetime hobby of and fascination for woodturning. As a result, he invited me to see his workshop which contained a bulky and magnificent collection of unusual and exotic wood collected over the years around the world. Indeed, he had such a good stock that all he needed was occasional replenishment from his contacts abroad. Having retired early (mid/late 50's) he had realised an ambition which had grown over a number of years to start his own business in woodturning - a business which appeared to be successful not least for the material content of the products. Other examples included an engineer in charge of a large company's Scottish operation who moved to the Highlands and started a jewellery business relying heavily on his engineering background; a husband and wife partnership (encountered during the pilot survey) from London where the husband had achieved a fairly high and responsible position as a stockbroker and his wife a fashion photographer who created their own successful textile based business as a release from the pressures of business yet based on her photographic skills.

While a positive statement cannot be made based on these unsolicited pieces of information they nevertheless provide a possible solution to the problem. In each case the business has a basic skill available as a base yet business experience could not be said to be so relevant or constant. Therefore in the survey results and tests there may be apparent but not real conflict between results showing a relationship between older age group of proprietors and a greater likelihood of previous craft experience and the negative result on business experience in that age group.

Conclusions

The survey results appear to indicate that at any point in time it is likely that the ages of the proprietors will be fairly evenly distributed between the ages of 23 to 60 with a small number of older proprietors. Given stable conditions, continued entry and improved duration then such a distribution could continue.

The survey results point to two main age groups at THE time when the business is established. The largest, between 21 and 35 years of age, with less experience and a higher proportion with training. The other major group, between 36 and 46 years of age combining with a sub-group of older proprietors with an overall tendency to have more craft experience. Thereafter, no significant difference was found between groups in terms of the shape or performance of their businesses.

It must therefore be concluded that age of the proprietor when he/she starts the business is of little importance; they bring with them a variety of different experiences which at worst can be said to have little effect on performance and at best to add to the overall richness and diversity of the Scottish craft businesses.

5.3.10 Location of the Business

Question 1:

Please state the reasons for choice of location of the business as from the following ....

1. Home Area ....
2. Known Area ....
3. Market Influence ....
4. Availability of Material Resources ....
5. Availability of Human Resources ....
6. Availability of Property or Site ....
7. Environment ....
8. Condition of Award of Grant ....
9. Other ....

Survey Results:

TABLE E22

	Priorities					
	1st	(%)	2nd	3rd	Total	(%)
Home area	22	53.66	2	1	25	60.98
Known area	1	2.44	0	3	4	9.76
Market influence	3	7.32	4	0	7	17.07
Material Resources	1	2.44	1	2	4	9.76
Human Resources	2	4.88	1	0	3	7.32
Property or Site	9	21.95	5	0	14	34.15
Environment	3	7.32	4	2	9	21.95
Condition of grant	0	0.00	0	1	1	2.44
Other	6	14.63	1	0	7	17.07

Note: A number of subjects stated that the selected reasons were of equal weighting while others stated that there was one single reason. Therefore the totals are at variance with numbers interviewed.

Table/

TABLE E22 (Cont)

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

		%	95% C.I.
Home Area	(a)	60.98	45.74 - 76.22
Known Area	(b)	9.76	0.49 - 19.03
Market Influence	(c)	17.07	5.32 - 28.82
Material Resources	(d)	9.76	0.49 - 19.03
Human Resources	(e)	7.32	0.00 - 15.46
Property or Site	(f)	34.15	19.34 - 48.96
Environment	(g)	21.95	9.02 - 34.88
Condition of Grant	(h)	2.44	0.00 - 7.26
Other	(i)	17.07	5.32 - 28.82

Introduction

In any attempts to determine the factors influencing the performance of a business in the manufacturing category or to assess the potential development of such a business, then the location of that business in relation to market forces and resources would normally be of considerable importance.

E. T. Nevin (1967) points to the historically influential factors of power supply and raw materials in the choice of location of industry and further suggests the following factors amongst others:-

a) Proximity to transport.
b) Savings in transport charges if the industry is close to the major markets for the finished product.

c) Availability of skilled labour.
d) Local availability of capital: for example, under the various government sponsored schemes to encourage industrial development in high or potentially high unemployment areas.

Similarly, Aubrey Wilson (1971) in the first phase of a qualitative screening process concerning the resources of a business, cites the following:-

> "Location. Situation of plant or other physical facilities related to markets, raw materials or utilities." (20)

Thus it would be reasonable to expect the businesses subject to this survey, as contained within the manufacturing industry category, collectively to demonstrate general conformity to the pattern of historical and current location influences.

Findings

Proprietors were asked to select priorities from the list or to give an alternative. In some cases the answer was a single and sole choice and in other cases the answer was given as a main choice with subsidiaries in order. In a few cases, priorities had equal value.

Therefore, the results can be considered in two ways. Firstly, taking the main or first priority reason. Secondly, taking the combined results for each choice as an overall indicator of the importance of that choice.

On the basis of the main or first priority choice the results showed a clear leader in the form of the home area priority.

The next priority considered to be important to the proprietors as a whole was that of the availability of a suitable property or site.

Taking the combined effect of the first three priority indicators the home area priority remained the clear leader marginally increasing its proportion with the property and site priority remaining in second position and with the environment priority in third position, both with increased proportions.

Therefore, in either terms, there are three elements which require further examination - home area, availability of a suitable property or site and the environment priorities. Tests relating to these elements are contained in pages 356 - 361, (Appendix E3) and Tables E23-E26 containing raw data in pages 394-396, (Appendices E14-E16).

Home Area Priority:

Test 67 (x^2 = 5.80) provided evidence of a link between location by the home area and business organisation with $^2/3$ sole proprietors and partners locating their business with this as a priority compared to $^1/5$ of the companies.

Thereafter, tests failed to establish any other links with a variety of factors.

Availability of a suitable Property or Site:

Test 79 (x^2 = 7.03) with a highly significant difference between expected and observed frequencies provided evidence of a link between location by property and the previous training of proprietors. A clear majority of proprietors with training stated that this element was a priority compared to a small minority of those without previous training.

Test 81 ($x^2 = 3.52$) provided a strong indication of a possible link between location by property and the previous business experience of the proprietor. Test 82 ($x^2 = 2.31$) supported this indication through a combination of the previous craft and business experience of the proprietor.

Further tests failed to establish any other relationships.

Environment:

Tests 83 ($x^2 = 1.98$) and 87 ($x^2 = 1.79$) suggested the possibility of links between the environment as a priority and the previous training of the proprietor and the form of business organisation adopted.

Market Influence:

Test 94 ($x^2 = 1.52$) provided a slight indication of a relationship between location in terms of the market influence and volume of business. Bu this is, as stated, a weak indication and not supported by any other test results.

Summary

As previously considered (Para 5.3.7) it is important to recognise that the actual responses to the question could be misleading - it is possible that the responses accurately reflect the priorities at the moment of decision making but do not reflect the likely 'build up' of thought on general matters prior to that point in time. Certainly, elements relating to the previous training and/or experience of the proprietor feature strongly in terms of the property and environment priorities and these are elements where one could reasonably expect that a 'build up' period of general consideration would have taken place.

However, even making such allowances, there can be little doubt that the home area priority is dominant either as the sole or joint priority and closely linked to the probable tendency for independence shown by the sole proprietors and partners. Thereafter, there are some small groups where more specific factors such as the availability of property have priority and these appear to have some links with the proprietors' background in terms of training or experience.

Conclusions

Examination appears to provide strong evidence to support the view that the craft businesses do not conform to the expected criteria for manufacturing businesses in terms of location of business. They are not located in the main by factors concerning markets, raw materials, transport, the availability of skilled labour, proximity to the market or in terms related to the availability of capital be it from normal commercial sources or from government sources. They are primarily located in terms of the home area of the proprietor and the availability of a suitable property or site even though these elements may contain some of the more traditional elements for consideration.

These findings provide further evidence to support the earlier conclusions relating to the strongly independent nature of many of these small businesses and the equally strong tendency amongst proprietors to lay stress on the creative element of their work.

However, it is possible that there are some practical reasons why these craft businesses differ from their manufacturing counterparts. Volume of business is one example; from the volumes (£'s) produced it can be assumed in the majority of cases that the volumes (bulk) in terms of materials and the finished product are comparatively small and therefore the pressures on transport facilities and costs may well be reduced to a point where they become factors of lower priority. Similarly, in terms of markets, the volume of finished products is comparatively small, capable of delivery by car, small van or even post; it should also be noted that many businesses also have their own retail outlet either in the same premises or nearby thus further reducing costs. Finally, again based on volume and on evidence relating to employment, there is seldom a need to rate the availability of skilled resources in a particular location as a priority.

Therefore it can be stated that the craft businesses do not conform to the normal industrial requirements regarding location and indeed may not require to conform because their needs may be different. If this is the case then it would appear that they are relatively flexible units and as such warrant special encouragement.

5.3.11 Assessment

Question 1: Have any of your original objectives concerning the nature and location of the business been altered or modified by experience?

Introduction:

Having established responses to the critical factors relating to the structure, organisation and location of the businesses in the preceding specific questions, proprietors were given this opportunity to comment on their original decisions from the light of experience.

Findings

In the case of two subjects the question was not relevant. Of the remaining subjects, 20 (51.3%) did not feel that their original objectives had been either altered or modified by experience. There were 19 (48.7%) subjects who felt that their original objectives had been altered or modified by experience and there appear to be two main themes of change ...... a change of product and/or a change in business policy.

Firstly, 11 (28.2%) of the subjects had significantly changed the product and it is interesting to note that this group contains roughly equal numbers of proprietors who have felt compelled to move from a high quality product to a lower quality, mass production product and those who have started with more modest objectives and products and have then been able to move in the opposite direction.

Secondly, a number of subjects, either separately or in combination with a change of product, had changed the objectives of the business, for example, by switching the emphasis from production to a combination of products and sales of other craft products, changing the emphasis in sales channels, or by identifying a new market.

There are however a number of comments arising from both groups which suggest that financial considerations have been very influential in the decision to change the objectives even to the point where one subject declared that expansion of the business had taken over his life with the inference that with hindsight he would have settled for less money and a better life style.

It is interesting to note that only one subject specifically stated that the location of the business had been badly selected, although a number of comments were made in relation to the community suggesting that the whole community could do much more to encourage the local businesses.

A series of Tests was prepared in an attempt to identify any factors which would account for the differences between the two groups in terms of retained or altered objectives. Base information about the two groups is contained in Tables E27/E28 (Appendices E17/E18).

The only result of significance or indication was provided by Test 99 (x^2 = 2.92). As already noted during consideration of business organisation, the greatest freedom of action and flexibility lies with the sole proprietor and partnership structure. It had therefore been anticipated that changes within the range of the question were more likely to have been implemented by the sole proprietors and partners. The survey results provide significant evidence on that basis.

Thereafter, the test results do not point to any clear relationship between changes in objectives and any other factor and with particular reference to the proprietors' previous training or experience which must be considered to be the likely sources. The only other factor which could have been an influence is duration on the grounds that changes might have been expected to occur after a period, perhaps three or four years, in operation. However, as shown by Tables E27 and E28 with the exclusion of the one business with exceptional duration, the averages of 7.2 years (no change) and 7.9 years (change) do not support that expectation.

Conclusions

It would therefore appear that changes in objectives are more likely to come from the proprietors who opt for the sole proprietor and partnership form of business organisation. As the main elements in the background of the proprietor do not appear to have any significant influence on this factor then it must be assumed that these changes are primarily motivated by the working experiences of the proprietors and their ability, due to the organisational structure selected, to respond.

5.3.12 Marketing

Introduction:-

From fifteen years of practical experience as a craftsman in Scotland I can say with conviction that if there is one single subject liable to generate impassioned debate among craftsmen then it is that of the market - such debate might not always be recognised under the title of 'The Market' but would often develop from elements such as, the relationship between a craftsman and his customers, 'difficulties' with retailers or even criticism of a craftsman's work (my own included) which invariably prompted market orientated questions such as ... 'Why is he producing these kinds of pots when he is capable of much better?', ... 'How can he earn a living from that kind of work?' ... 'How on earth does he get away with these ridiculous prices?' ... and many more besides. Because of the importance of the issues involved in 'the market' it is considered valid to give considerable thought to the issues before examining the survey findings.

Prior to the Industrial Revolution the vast majority of the population in these islands gained employment either directly or indirectly from the land and consequently were scattered widely throughout the nation in rural communities. The craftsmen of that time served the community in which they lived and perhaps neighbouring communities as well. This social pattern was important because the craftsman knew the customer and likewise the customer knew the craftsman. The craftsman knew the requirements of the customer and the customer knew the capability of the craftsman. Further, if there was a matter for complaint then it could be reasonably dealt with on a face-to-face basis. Similarly, if a change of product was required then the specifications could be agreed and the product made accordingly. In many ways, this was an ideal producer/consumer relationship.

However, the Industrial Revolution completely changed that relationship with the capability of mass production, with the location of industry according to the new priorities such as transport, power sources and proximity to material sources, and with the growing realisation that enormous wealth could be generated through production distributed to a world market by means of naval supremacy and overseas possessions. Thus, producer and consumer were no longer in close contact, the producer became less conscious of consumer requirements, products were designed with production more in mind than consumer requirements, and with industry placing increasing priority on production and technical development.

Industry was firmly 'production orientated' and remained production orientated until the second half of this century - and some would argue that there are many firms which have still not moved beyond this phase of development. However, with the rapid development of technology throughout the world, the inevitable change of balance between the forces of supply and demand meant that the producers could no longer rely on 'selling' what they had made thereby initiating a period of 'sales orientation' where a substantial part of the firm's resources were allocated to selling .... to applying pressure on the consumer to convince them that they really required the product 'x' whether they did or not, or to purchase product 'x' rather than product 'y'. Considerable emphasis was still placed on production and little attempt was made to determine consumer requirements.

Within the last decade the modern marketing approach has become one of the key factors for management in the setting of objectives and the establishment of priorities. The modern marketing approach is concerned with the development of closer links between producer and consumer with the aim of identifying the requirements of the consumer and then of the product being designed and made to these requirements and thereafter of the product being passed through the appropriate channels for distribution.

A fascinating aspect of this pattern of industrial development is that the relationship between producer and consumer has, at least in theory, moved full circle from a close relationship, through a period of complete indifference, and back to a close relationship. In practice of course it is still impossible for a large manufacturing business to deal with all its customers on a face-to-face basis and much of that relationship depends on market surveys and the employment of skilled intermediaries between the business and the customer. In addition, the growth of the consumer movement and legal requirements to acknowledge and act on consumer complaints is assisting the development of producer/consumer relationships.

An important element is missing from this relationship ...... the 'middle men' ...... the 'wholesalers and the retailers'. Middle men are often thought of as a modern phenomenon by young craftsmen and students, yet in the late 18th Century the 'father' of economics, Adam Smith wrote ......

> To found a great empire for the sole purpose of raising up a people of customers, may at first sight appear a project fit only for a nation of shopkeepers. It is, however, a project altogether unfit for a nation of shopkeepers; but extremely fit for a nation that is governed by shopkeepers. (21)

This quotation which was the origin of Napoleon Bonaparte's much more famous derisory comment ...... "England is a nation of shopkeepers." ...... is significant to this study if only for the historical reference to the power of commercial interests at that time.

In recent years, government has made frequent reference to the importance of the increase of production mainly in terms of improvements per man/unit compared to overseas production and of earnings both direct as wages and indirect as social and other services as being generated by that production of goods. Yet there does not appear to have been much attention paid to relative roles of industry and commerce in practical terms; given the colonial implications of Smith's observation, there is nonetheless an implication of trading relationships within the country which appear to have changed little since the 18th Century. Many craftsmen would argue that the shopkeeper or retailer is dominant today as yesterday.

The role of commerce in our economy is two-fold: first, as a service in the form of banking, insurance and even of investment; and secondly, as a service in the form of the purchase, distribution and sale of goods. It is clear that industry and commerce are inter-dependent - without industry and the production of goods large areas of commerce would have no purpose and without commerce much of industry would not be able to function.

These and other views related to the market were expressed by craftsmen and retailers in Scotland through the pages of the '<u>Craftwork</u>' quarterly publication produced and supported by the Joint Crafts Committee, the Scottish Craft Centre, the Scottish Development Agency and the Highlands and Islands Development Board. In particular, reference is made to a series entitled 'Mark-up' published in 1974 and 1975. (Future references marked for simplicity as '<u>Craftwork 74/75</u>'.)

On one hand and in summary of the views expressed by the craftsmen the published debate showed that there is much resentment of the fact that many craft goods are sold by retailers at more than twice the price which the producer receives and of the powerful position of the retailers who are in a position to dictate critical elements of the transaction such as the payment period.

On the other hand, the representatives of the retail trade variously claim that the retailers have created the demand for craft goods in opposition to mass produced goods, that quality craft goods are in short supply, that retailers have to invest capital in the purchase of goods for long periods prior to sale, that the attempts by producers to sell their own items direct to the public or to general retailers is taking the exclusiveness out of the product and finally that the costs of sale are much greater than that appreciated by the craftsmen.

At this stage, and in assessing the arguments presented by both parties, it must be declared that personal experience and judgement will be used.

Assessment

1. The basic arguments presented by both parties are not new .... on the contrary they are typical of a debate that has been going on for at least the last ten years (and probably much longer) and therefore it is reasonable to assess their merits and weaknesses as being widely representative.

2. Ethel Stewart M.B.E. in her letter to the editor states (Craftwork 1974/75)

> .... Those retailers interested in the crafts and the craftsmen are wholly responsible for the present demand for craft products, having fostered production and induced sales over a period when nobody wanted to "know" the craftsmen. (22)

This statement by the Managing Director of Highland Home Industries must be the starting point for an examination of the relationship concerning producer, retailer and consumer because she makes certain direct and indirect claims for the role of the retailer in the development of crafts in Scotland...

a) That retailers are wholly responsible for public demand for craft goods.

b) That the retailers have "fostered" the craftsmen.

These claims may have some substance in that there was a period in the middle and late 60's when it was difficult as craftsman to find retail outlets which would give a craft product a fair and equal chance of sale with mass produced products. From experience, the traditional retail jeweller would take craft products on 'sale or return', at least double the invoice price and display the goods alongside mass produced articles which enjoyed economies of scale and were therefore displayed at an equal or lower price without informing the public that the product was hand made, of limited production, and therefore that the public were being offered a relatively rare product for the same or marginally greater cost.

It is true that there were a few retailers in this period who saw the potential of craft products, who changed the strategy of their business to accommodate the selling requirements of the craft product and who, by their actions, did much to assist the development of public interest in the crafts in Scotland. However, Ethel Stewart's claim for the role of the retailers is that they were wholly responsible for the present demand for craft products, and this must imply that in her view there was absolutely no interest in craft products on the part of the public and equally that there was no meaningful exposure of craft products except by these retailers.

The craft retailers of that period were not the only means of communication between the craftsman and the buying public. The four Scottish Art Colleges annually displayed the work of their graduating students including the design and craft graduates and consistently attracted large numbers of the general public and possibly of particular significance, large numbers of school parties which has positively had a long term effect on interest. But interest is one thing and demand another ...... here too, the colleges can supply evidence because I can recall that in my graduate and post-graduate years (1963 and 1964) the college authorities issued a stern warning to students to stop selling their work to the public for fear of Customs and Excise intervention concerning Purchase Tax, a warning issued after many student exhibitions were left with bare tables and empty showcases.

In addition, television programmes such as 'Scope' produced by BBC Scotland have likewise done much to inform the public that craftsmen exist who are capable of making products to a high standard, at a reasonable cost and different in concept to mass produced products from the traditional trade sources. Again, my own experience is that exposure on television attracted much interest and business direct from the public after two such appearances. And continuing on the theme of mass communications, the daily press and magazines have all made very substantial contributions to the development of awareness among the public of the craftsmen and their products.

Similarly, on a local level, many craftsmen even at that period were acting as their own retail outlet, displaying their products to the public and attracting considerable attention.

Therefore, the implications contained in Ethel Stewart's statement that only the craft retailers presented craft goods to the public and that there was no interest on the part of the public for craft goods are at best a gross exaggeration of the facts.

One of the key issues in the relationship between the producer and consumer is that of demand. Ethel Stewart states categorically that the retailers created the demand for craft goods. If this view is assessed alongside the historical development of marketing then it will be seen that her contention is clearly 'sales orientated' based on the outdated assumption that the public can always be relied upon to purchase whatever the producer or his agent (in this case the retailer) wishes to sell. It is true that skilled promotion of a product can induce sales and some retailers legitimately employ their skills to good effect. Yet it is impossible to accept the basic contention that demand can be created in total by simply exposing goods to the public view and employing skilled persuasion to convince the public to make the purchase... there is something much more fundamental to demand than that.

An example of a member of public becoming belatedly aware of these fundamentals is contained in an article by Alison Lambie (1975) where in common with many others she identified some of the causes of a movement from the mass produced to the purchasing and commissioning of craft products as a reaction against the impersonal product and impersonal service so often associated with modern large scale industry. In commenting that this article was somewhat belated, it can be said from personal experience that one of the most encouraging aspects of the late '60s and early '70s was a swing from the 'comfortably off, professional and upper class' clientele to a much wider cross-section of the public. Indeed on a very personal note, the jobs which gave then and still give the greatest satisfaction to me are those where young people looking for some product with a deep personal attachment such as wedding and engagement rings, and from modest social and educational backgrounds, have sufficient trust to place commissions which must be substantial in their terms and almost without exception show their appreciation of the product and perhaps more significantly of the service as opposed to the service offered by traditional sources.

Nevertheless, it would be wrong to suggest that the craftsman is always in competition with the major manufacturers, a common error made by retailers, journalists and craftsmen alike. Without entering into an area which would be the subject of a major study it could reasonably be argued that in many cases the craftsman offers an alternative in the form of a product and service which has an appeal to that section of the public which is the more adventurous, knows what it wants, has an appreciation of craft skills and finds the product to be more than an impersonal article.

In marketing terms, the demand for craft goods is often in reality a desire on the part of a section of the public to have ......

... a wider choice of product than that offered by the major manufacturing industries .....

or

... a desire to have a different service where they can influence by discussion with the craftsman the design of the product to their personal requirements as opposed to the less flexible service of the traditional retailers and the anonymous, impersonal product ....

or

... a desire to obtain a product or products which are either unique or rare as opposed to a mass produced product ....

or

... a genuine and well intentioned desire on the part of a small section of the public to encourage 'artists' to 'lead' by their creativity ... in effect, the patrons of the arts.

At best, the retailers can display craft goods and use their skills to promote sales but they do not create the wider range of goods, they do not directly offer the public the opportunity to have goods made to different specifications, they do not create unique or rare products and they certainly do not act as patrons of the crafts unless it is in their long-term financial interests to do so.

Therefore, to state that retailers are wholly responsible for the present demand, no matter how it was originally created, is not supported by the facts either as a statement of belief or even of exaggeration.

Ethel Stewart also suggests that demand was created by the retailers .... having fostered production and induced sales over a period when nobody "wanted to know" the craftsmen. (23)

While it would be easy to demonstrate on a word by word examination basis that the above claim is false, it may nevertheless be indicative of a change in demand over recent years. Unfortunately, the period relating to this claim is not identified. The claim may indeed refer to the early 1960s and before and may appear realistic to a retailer although inaccurate in fact. In the early '60s I was privileged to know many craftsmen who had been practising their craft for many years ... such as Miss Agnes Kindberg (Edinburgh - Fashion and Embroidery), Nora and Charles Creswick (Edinburgh - Silver and Jewellery), Bernard Harrington (Dundee - Silver and Jewellery), Mrs Helen Munro-Turner (Edinburgh - Glass) and Miss Katie Horsman (Edinburgh - Ceramics). Some of these craftsmen had built a national and even international reputation. So far as I know their work was not normally sold through retail outlets and mostly came by way of exhibition, commission and public recognition. Nevertheless, they were prolific craft producers and thereby provide further evidence of a demand for the product even if that demand was not channelled through retail outlets.

There is also the claim that the retailers ...... "fostered production" ...... but this claim is not amplified or supported by evidence. Whether the word fostered is taken in either of the mainstreams of usage as encouraging, cultivating or caring makes little difference in practical terms which from the point of view of the craftsmen could be ....

a) By granting cash aid to the craftsman.
b) By providing working facilities.
c) By entering into an arrangement with craftsmen to supply materials free of charge, such as wool to knitters, and then recouping the material cost in the sale.
d) By sponsoring competitions.
e) By immediate outright purchase.

While it may be possible to find examples of all these means of encouragement and promotion they are but isolated examples and cannot be taken to be the norm. On the contrary, there is a clear suggestion in the letters of Ethel Stewart and Derek Riley that they consider the purchase of craft goods to be the main form of fosterage - an argument also related to the 'mark-up', and certainly this is my own experience of the attitude of retailers to this subject. For many years retailers in the Edinburgh area attempted to pressure craftsmen into a 'sale or return' arrangement which held the obvious advantages to them of a saving in capital and no risk. And it is this 'risk element' which is the root of the problem: the retailers naturally wish to minimise the risk element of making a purchase and being left with unsold goods and thereby see any purchase as an act of fosterage. Yet the purchase and resale of goods with all the inherent risk is the nature and purpose of commerce and their claims to foster production by this means could be echoed by every wholesaler and retailer in the country. In addition, it must be recorded that through the retail 'mark-up' the retailer should be accounting for the risk element, that the craftsman has just as great or greater a risk element and that there is no good reason why craft retailers should be exempt from that risk element or to claim that their relationship with the producer is in any way different from the normal producer/retailer relationship.

Therefore the statement by Ethel Stewart even when it is taken only on the level of an indicator still suggests that the retailers in their commercial role consider that role as dominant.

Having identified the core of the problem, the risk element, it is necessary to look at some of the most likely effects of that element. Rosemary Pettit (1977) cites seven examples of costs related to craft businesses and ten examples of costs related to shops and selling. Unfortunately, the information she provides is not consistent in terms of the elements in each example and therefore it is not possible to extract supportable evidence. Nevertheless, it may be of value to look at some of these elements in broad general terms.

Premises must be a widely variable element of cost for the simple reason of supply and demand related to location. For example, to obtain either workshop or retail premises in a centre such as Edinburgh will almost certainly be more expensive than equivalent premises in a smaller centre or in a rural area.

It would be reasonable to suggest that in many cases the retailer is likely to bear the heavier element of cost on premises because the shop would normally be situated where there was a proven flow of potential customers, such as a recognised shopping centre, a tourist attraction, a service such as hotels and restaurants, or in conjunction with a comparable establishment such as a gallery, and these sites are usually in demand for a variety of commercial purposes.

Unless a craftsman is selling direct to the public his working premises do not normally have to be situated in a high demand area and in addition many craftsmen can operate effectively from parts of domestic premises, from relatively small premises or from a variety of premises which can be adapted for use at a reasonable cost.

Therefore, it is reasonable to conclude that on average, retailers are likely to bear a heavier cost element for premises than craftsmen.

The normal services of gas, electricity and telephone would not usually account for a major difference in costs between a workshop and a retail outlet except where gas and electricity are fuels for furnaces and kilns when costs would more accurately be attributed to production.

A frequent claim made by retailers concerns the costs of insurance and the incidence of shop-lifting and damage. It is pointed out that the cost of insurance premiums is high in some cases making it impossible to insure against all risks, and in addition that insurance companies often demand the installation of expensive security systems prior to cover. Once again this must be a variable item: craft shops specialising in small scale high cost items such as jewellery must be more vulnerable to loss than shops specialising in crafts such as weaving, ceramics or wood. However, the retailers frequently forget that craftsmen have a similar problem. From my experience it can be stated that most insurance companies will insist that workshops are protected by security equipment, that valuables are kept in a safe, and further, as in jewellery, that cover will not be available for raw materials where ownership is difficult to prove and only readily available on finished goods carrying a hallmark which can be traced.

Therefore, it is probable that there is little difference on average between the cost of services to a workshop or retail outlet.

From the debate published in 'Craftwork' and from my own experience stock is a highly contentious element. Ignoring the issue of 'sale or return' and concentrating on the purchase of goods by the retailer, there is considerable evidence contained within the letters from craftsmen and retailers to suggest that the period between supply of goods and payment is extremely variable and this element is essential to analysis of cost and cash flow. Ruairidh MacLeod (Craftwork 1974/75) infers that the craftsman is subsidising the retailers and cites examples from the records of the Harris Craft Guild where a breakdown of 151 orders worth £11,000 were found to be paid as follows:-

33% of the value paid within 1 month
30% of the value paid within 2 months
9% of the value paid within 3 months
8% of the value paid within 4 months
4% of the value paid within 5 months
15.5% of the value paid within 6 months

Derek Riley (Craftwork 1974/75) points out that the normal department store will "require maximum credit as a matter of policy, and usually on a three month basis.". (24) He then refers to his own business stating that he has purchased £3,000 of craft goods which will not be sold for some two to three months and concludes that he is therefore subsidising the craftsman.

On the surface these two apparently opposing views centre on a common pattern ...... the traditional assumption that if everybody in business can obtain maximum credit on purchases then everything will be even in the long-term.

But there are two major discrepancies in this assumption. First, the craft retailers appear to be stressing the requirement of credit on purchases yet they do not usually offer any credit to their customer, the purchaser. Secondly, and again from my own experience, there has been a major change in the craftsman's position concerning stocks of raw materials. Some five or six years ago it was possible as a jeweller/silversmith to place an order with suppliers of metal or precious stones by telephone and to receive the goods by post within four or five days. Since that time, suppliers have had problems in obtaining labour and the waiting time has extended to some three to six weeks. This means that the craftsman has to carry a higher stock level to be sure of meeting orders. Perhaps most critical of all, suppliers of raw materials will not usually allow credit in excess of one month and in the case of precious stones the credit period can be as short as seven days.

While the delivery time on raw materials makes little difference to the location of a business, the financial implications are serious and a small craft business is unlikely to be in a position to force the large suppliers to extend credit terms. Thus with the requirement to carry larger stocks of raw materials on extremely short-term credit and with the retailers demanding considerably longer-term credit facilities then it is clear that the craftsman is being 'squeezed' into a cash flow problem. To illustrate the problem, a model was constructed (Table E29, Appendix E19) and the following graph clearly shows the result. The model assumes steady production and sales to retailers over a 24 month period; in each month the craftsman receives £100 of materials, incurs £200 of expenses and has to pay for materials and expenses within that month; at the end of each month £500 of goods have been produced and sold to a retailer on four varying credit terms... ie 6 months, 4 months, 3 months and 1 month.

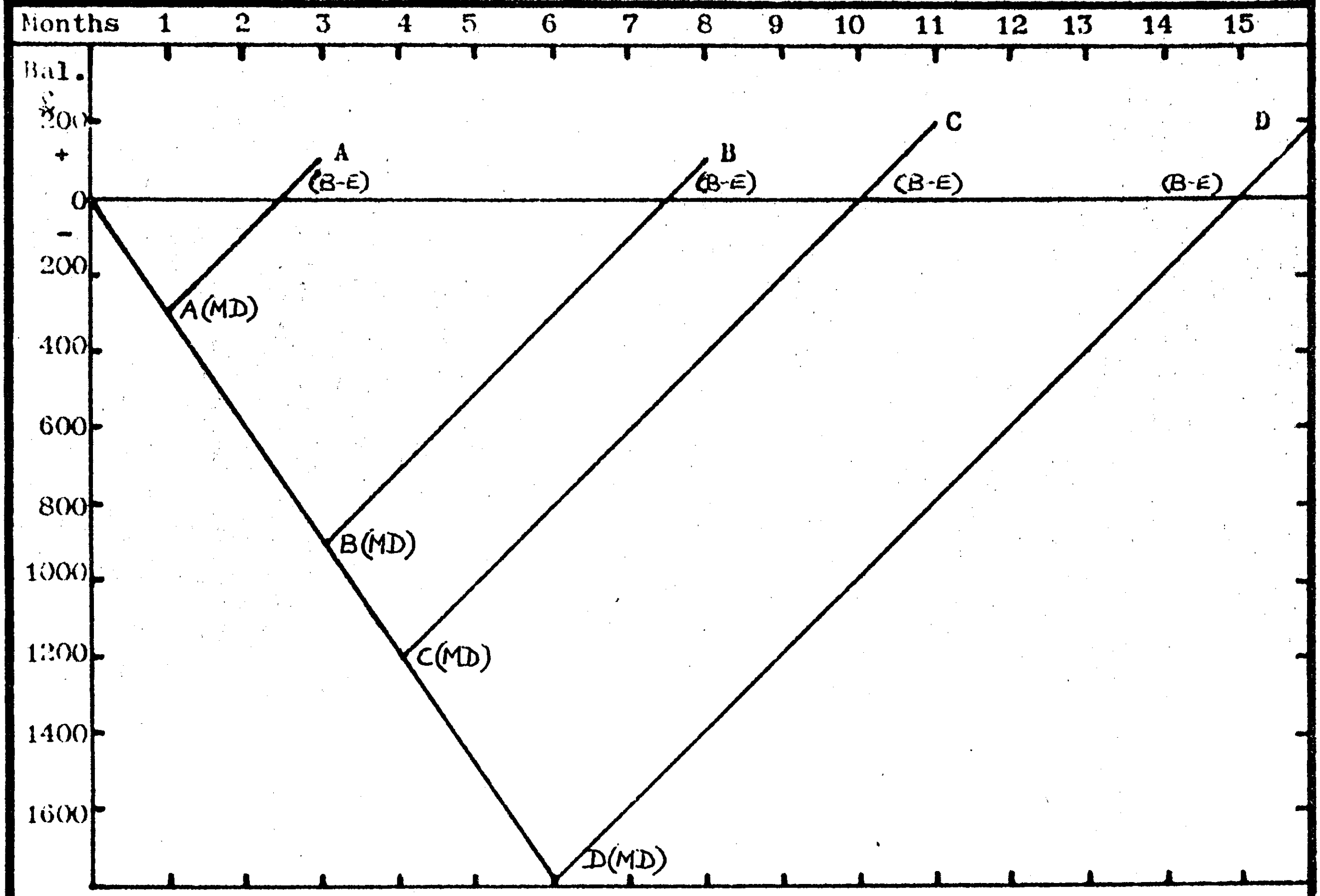
The effect on the craftsman's cash flow can be summarised as follows:-

	Craftsman to retailer Credit terms	Maximum deficit (MD)		Break-even point (B-E)
		£	Months	Months
(A)	1 month	300	1 month	2.5 months
(B)	3 months	900	3 months	7.5 months
(C)	4 months	1200	4 months	10.0 months
(D)	6 months	1800	6 months	15.0 months

FIG. E5/

FIG E5

Graph : Cash Flow Model extracted from Table E29 Appendix E19



A = 1 month credit B = 3 months credit C = 4 months credit
D = 6 months credit

The above graph demonstrates the obvious and accepted factor that terms of credit can be critical to the liquidity of a business. But the graph also illustrates the effect of the 'squeeze' imposed on craftsmen by suppliers through restricted credit at one end and by the retailers' delaying tactics at the other end.

The craftsman who can find retailers willing to trade on a monthly credit basis will quickly achieve a positive balance, will not be heavily overdrawn or require increased capital investment, and will comparatively quickly generate surplus for re-investment and development. At the other extreme, a craftsman who can only find retailers demanding extended credit will take a substantially longer period to reach a positive balance, will be heavily overdrawn for long periods or require undue capital resources, and will not be able to re-invest or develop for a considerably longer period.

Further, if the model were to be developed taking account of interest charges, the requirement to meet VAT payments based on dated invoices and seasonal fluctuations then it is inevitable that the effect of extended credit to retailers would be greatly magnified.

Returning to the statistical example provided by Ruairidh MacLeod it could be said that there is evidence to suggest that approximately one third of the value of production is paid by retailers within 1 month, that approximately one third of production is paid by retailers within 2 months and that the remaining one third approximately of production is paid by retailers within some 3 to 6 months. Relating these facts to the model it is clear that the retailers paying for their goods on a monthly basis are indeed acting responsibly and in the long-term interests of the craftsmen and themselves; that the retailers paying for their goods within 2 months are making modest demands of the craftsman which may not be crippling but which do nothing to assist the long-term development of the crafts in Scotland or to improve the regularity and consistency of their supplies; that the retailers deliberately extending payment beyond the 2 month period are extremely vulnerable to the charge that they are exploiting the craftsmen and to the suggestion that they are the 'money-makers', 'the hard-headed business men out to make a killing in the crafts and tourist boom', charges which may be further supported by Ruairidh MacLeod's observation that ...... "two out of three large shops delayed paying for two months, while two out of three small shops paid up within a month.". (25)

Therefore, in summary, it would appear that there is evidence to suggest that the craftsmen have a legitimate point when they variously claim that they are subsidising the retailers or that they are being exploited by the retailers. However, the claim would also appear to be rather too sweeping and somewhat over-stated. There are many retailers, albeit a minority who are behaving responsibly and in the long-term interests of the craftsmen and the crafts in Scotland, and who may indeed be reversing the direction of 'subsidy' even if that 'subsidy' is little more than a component of a commercial enterprise and in effect a longer-term investment.

Equipment is also an extremely variable element particularly where the craftsmen are concerned as much depends on the craft and the scope of work undertaken by the craftsman. In my own case there is approximately £2,200 of capital invested in equipment for a one-man, part-time craft business in silver-smithing and jewellery and a full-time business for one man could easily require a further £1000. On a higher level crafts such as glass, ceramics and elements of printing could require some £5,000 + investment in equipment while on a lower level crafts such as tapestry, weaving and knitting might require as little as £1,000.

It is interesting to note that Derek Riley (Craftwork 1974/75) lists retail expenses and the only item of equipment included in that list is a cash register quoted at £300 with the implication that this is a major item of expenditure. However, I doubt whether other retailers would agree with his list; from experience of a number of retail outlets it would be reasonable to assume that substantial sums are required to provide appropriate decor, lighting and display facilities. Equally, from experience visiting craft shops during vacations, the pilot survey and the full survey, many retailers can provide a pleasant environment with relatively inexpensive decor and lighting and with simple shelving.

Therefore, on balance, it is probable that in the majority of cases the craftsman has to bear the burden of higher equipment costs.

As the element of cost relating to premises, equipment, services and stock have already been considered, the costs centred on manufacturing and selling are really reduced to these activities in isolation. Therefore, the factors of efficiency and scale come into effect and these cannot easily be assessed on an abstract basis. However, it would be reasonable to point to economies of scale as being at least important; the retailers would appear to have an advantage over the majority of craftsmen in that the survey produced clear results concerning volume of business which show approximately 50% of the craft producing businesses have an annual turnover of under £6,000, which in many cases must barely cover costs. Retailers, on the other hand, usually deal with the products of many craftsmen and from simple observation it would be extremely surprising to learn that approximately 50% of retailers had an annual turnover of under £6,000 ...... indeed personal experience would suggest that in Edinburgh a retail outlet run by the proprietor with only part-time assistance at peak periods could be expected to turnover £20,000 to £40,000 per year. Therefore, even if the craftsman's isolated costs of production for a particular product equated exactly with the retailer's isolated costs of selling then the retailer would be likely to be better-off by virtue of the fact that he can turn over a much higher volume per year.

Thus, it is likely that the isolated costs of 'manufacturing' the craft product will account for a substantially higher proportion of the turnover than that relating to the 'selling' function.

One of the curious revelations emerging from the development of business studies with design and craft students is that when the students are asked to suggest how they would evaluate their skills in relation to a price per hour for production they frequently start with a series of wild guesses which range from £1.00 to £3.00 per hour. Seldom do they consider comparable skills or the ratio of productive to non-productive time in a craft business; far less do they attempt to evaluate requirements over a period of a year or the effects of holidays, illness or taxation. Yet these same students must be acquainted with the current problems of inflation and with the seemingly endless stream of figures arising from wage demands and settlements as widely quoted in the press and by television and radio.

When it is demonstrated that currently a charge of approximately £7.00 per hour is a necessity for survival then the response is one of amazement, of dismay at the realisation of the levels of speed and efficiency required to attain that target while keeping the product at a realistic price, and of disbelief that equivalent wages in real terms over a year are frequently earned by semi-skilled and unskilled labour.

This problem of recognition and understanding on the part of students may well be a real practical problem for many craftsmen. The views of G.M. and R. Salt and of William Blair (Craftwork 1974/75) perhaps indicate that the craftsmen themselves are in a dilemma over appropriate remuneration for their skills. This dilemma is certainly evident in the following extracts from their letters:-

> "The cash he may receive eventually for his labours is not the prime consideration in his creativity. It may not be a consideration at all."

> "From remote glens in the Highlands and in the more populous plains there are murmurs of revolution from crafts people who need not only to survive, but to do so with dignity and for just rewards."

> "If the true craftsman is to receive adequate pay for the use of his or her talents, and hours of work, he must be clearly distinguished from the tooled-up, employee-assisted maker of knick-knacks." (28)

In simple terms, many craftsmen are prepared to accept borderline survival levels in return for the freedom to do the work they enjoy doing most of all. However, there are some who clearly feel that the price of this freedom is too high, that their work demands more return than simple survival and that their efforts appear to generate greater rewards for retailers than for themselves. And finally, there are those who directly equate their skills and remuneration to those of others considered to be comparable and who are clearly dissatisfied with the results of that comparison.

However, it has to be pointed out that some craftsmen while complaining about their rate of return on skill and frequently blaming retailers for this devaluation are nevertheless quite prepared to inflict punitive conditions on fellow craftsmen. From experience, this situation most frequently occurs in Scotland in connection with knitting and the payment of outworkers. Although it is not possible to present evidence as a result of this survey or the pilot survey, wages paid to these outworkers was discussed informally during the survey and the figures quoted closely relate to the figures produced in the report entitled 'Sweated Labour' by Marie Brown (1974).

Although the subjects of the report are not directly comparable to the subjects of this present study, Marie Brown has included home knitters in her subjects and her findings are summarised in the following quotations:-

> "Hourly rates of pay - some examples.
>
> .... Mrs Harrison earned 20p for hand knitting Arran sweaters, while Mrs Davis earned 4.4p an hour for doing exactly the same work. Machine knitting paid 4p and 5p an hour respectively for two ladies in the sample."
>
> "Weekly Earnings.
>
> .... Mrs Dean machine knitted, hand sewed and pressed garments, earning £2.40 a week after 60 hours of work. Mrs McFarlane, hand sewing hooks, eyes and press studs on garments, earned between £10 and £11.70 for her work of between 60 - 70 hours a week."

"Retail prices of the homeworkers goods

.... Arran sweaters, hand knitted, labelled, pressed and packed for £2 retail for £16.95.

It would appear that there is no direct relationship between skill in the craft and hourly rates and it is even possible that some craftsmen may not even bother to calculate hourly rates. Under such circumstances it is impossible to make an abstract comparison of costs to the craftsman and the retailer.

Conclusions

Marketing is certainly one of the most critical elements in the success or failure, development or stagnation of craft producing businesses in Scotland. That is, marketing in its full meaning covering all aspects from the establishment of customer requirements through to the customers use of the product and not just the selling aspect.

There is no doubt that the pattern of demand for goods and services within a large part of the range included in the survey is changing, and that change is manifest in a swing from the impersonal mass-produced item to the craft made, individually designed item. It is clear, however, that all craft products cannot be the result of commissions directly between producer and consumer and that the craftsman either has to establish his own retail outlet or channel his product through traditional commercial routes. While there are some craftsmen for whom direct contact with the consumer is neither desired nor essential there are many for whom it is both desired and essential as a source of inspiration and satisfaction. Thus one would expect to find substantial numbers of craftsmen in each category.

It is equally clear that the relationship between the craftsmen and the craft retailers in Scotland is at best uneasy. There is evidence to suggest that many retailers are either exploiting the craftsmen or using their intermediate position to their own advantage. There is also evidence to suggest that a substantial minority of retailers is making a major contribution to the development of the crafts in Scotland by taking a responsible attitude to the problems of the craftsmen and acting accordingly. Perhaps the most distressing feature of the relationship between craftsman and retailer is that some retailers appear to be of the opinion that they are the raison d'etre of the crafts in Scotland and as such that they are free to dictate policy to producer and consumer alike and to dictate the rewards at all levels.

Therefore, the conclusion of this part of the study must centre on the respective roles of industry and commerce. Until such time as our society decides to grant a greater reward to the creative, the skilled, the producers of products in demand, and in contrast to the greater rewards currently granted to commerce then there would appear to be only limited potential for development of production capacity, for increased employment and for the retention and development of skills.

To equate craftsmen with the proletariat and retailers with the capitalists in the Marxist model might suggest an impending revolution. Yet the strongly individual and independent characteristics exhibited by the craftsmen would not appear to represent fertile ground. However, an aspect of the current practical interpretation of that model, a strongly centralised and controlled economy, might more competently deal with the problem.

5.3.13 Marketing

Question 1: Is the craft product distributed ....

a) through wholesalers? ....%

b) directly to retailers? ....%

c) by own retail outlet? ....%

Survey Results:

TABLE E30

	Use of Channel		Volume use of Channel (Product)	
	number	%	total	%
Wholesalers	6	14.63	180	4.39
Retailers	30	73.17	2347	57.24
Own Retail Outlet	27	65.85	1573	38.37

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

	Use of Channel		Product Volume use of Channel	
	%	95% confidence interval	%	95% confidence interval
Wholesalers	14.63	3.60 - 25.67 (a)	4.39	-2.01 - 10.79 (d)
Retailers	17.17	59.33 - 87.01 (b)	57.24	41.79 - 72.48 (e)
Own Retial Outlet	65.85	51.04 - 80.66 (c)	38.37	23.18 - 53.56 (f)

Findings

In view of the previous consideration of the relationship between the producers and the retailers it is important to attempt to assess the use made of the major options open to craftsmen in moving the product to the consumer. The questionnaire simplified these options to ....

(i) sales via wholesalers and retailers by % and,

(ii) sales through the craftsman's own retail outlet by % but including direct commission work.

The survey findings appear to be conclusive in demonstrating that a comparatively small proportion of craftsmen (14.63%) distribute their product through wholesalers, the proportion of the product overall being even smaller (4.39%). Thereafter, the craftsmen are split into two groups; the larger group supplying a majority of their product to retailers and the smaller group supplying a majority of their product directly to the consumer or undertaking direct commission work.

It is therefore important to identify any features of the businesses using a particular channel and establish whether this is a matter of individual choice, of location, of product or any other factor. The means of undertaking this task is complicated by the fact that just over half of the subjects made multiple use of the channels. However, if the subjects are allocated to each group on the basis of greater than 50% use of any particular channel then only four subjects are eliminated (A24, S117, W32 and N11) and therefore the remainder provide a reliable base.

Tables of base information concerning the two groups are contained in Appendices E20 - E22, and a series of tests completed comparing the two groups (a. More than 50% through retailers. b. More than 50% through own retail outlet).

Test 110 ($x^2 = 4.37$) established a significant correlation. Proprietors with previous craft experience were relatively evenly divided between the two channels. Proprietors without that experience showed a clear and positive tendency to distribute a majority of their product through retailers.

Test 108 ($x^2 = 1.76$) provides an indication that there might be a relationship between these channels and volume of business. Indeed it was anticipated that those producing the larger volumes of business would be much more likely to distribute the majority of their product through other retailers.

Thereafter, tests failed to establish a relationship with any other factors.

However, the most surprising factor to emerge from this examination of the two groups is that in each case the average volume associated with the respective channel of distribution exceeds 90%. As tests have failed to identify any significant factor or indicative factor other than that of previous craft experience which would account for such positive movement in opposite directions then it must be assumed that much depends on the proprietor's attitude to the customer. As previously stated, some craftsmen are known to gain satisfaction from the process of designing, producing and serving the customer direct and this may be a major factor in the decisions relating to channels.

Equally however it should be pointed out that in some crafts it may be difficult to find appropriate retail outlets. For example, in wrought iron, taxidermy, model making and musical instruments the craftsman may have little choice but to sell directly to the customer. This possibility may have support in terms of the crafts listed under each group and as contained in Table E33, Appendix E22, where these crafts appear exclusively under the group retailing more than 50% through their own retail outlet. Yet examples of all these crafts have been seen in a few, scattered, retail shops. In addition, some of the products may be outside the scope of retailers, for example, wrought iron railing or gates.

As already considered in some detail, there are advantages and disadvantages as a craftsman in supplying the retail trade. There are some disadvantages as a craftsman in selling direct to the customer but for most there is one major advantage: finance. First, there is the great benefit to cash flow in obtaining payment immediately on delivery and from my own experience I should confidently expect the vast majority of sales to be conducted on an immediate cash basis. Secondly, there is the benefit of cash reward for the selling service. Again, from my own experience, retailers prefer the craftsman to supply them at a 'wholesale' price and their 'mark-up' determines the final price. Retailers become very sensitive to craftsmen supplying them and also selling the same item direct to the customer at a lower price, particularly if the businesses are in close proximity ...... indeed I was asked on several occasions to guarantee the retailer that direct sales would not undercut his selling price, a guarantee refused. There is therefore a particular advantage to be gained from direct sales by craftsmen such as jewellers who may be specialising in small numbers of high value items when one considers that the retail 'mark-up' would normally lie between +50% to +100%.

Conclusions:

Distribution through retailers, wholesalers and through the craftsmen's own retail outlet of a majority of the production is subject to one major influence, the previous craft experience of the proprietor.

As there does not appear to be any reason other than those detailed in para 5.3.8 then it must be assumed that the working experience and job satisfaction elements are critical.

However, there is the possibility that a number of factors, outside the immediate scope of this survey and results, may have influence. Therefore, the influences would include:-

a) The previous craft experience of the proprietor.
b) The possible link with volume of business.
c) The possibility relating to the availability of suitable retail outlets.
d) The possibility of influence due to the personal preferences of the proprietors concerning ....

   i. relationships with the consumer or retailer.
   ii. product range.

e) The possibility of gaining income from the sales function.

5.3.14 Estimate of Markets

Question 2: Estimate the % of your product going to the following markets ......

District ....%
Regional ....%
Scotland ....%
Remainder of the U.K. ....%
Export ....%

Survey Results:

TABLE E34

	Within the District	Within remainder of the Region	Within remainder of Scotland	Within remainder of the U.K.	Export
Number	23	8	31	23	17
%	57.5	20.0	77.5	57.5	42.5
Volume	1012.0	410.0	1575.0	627.5	375.5
% (4000)	25.3	10.25	39.38	15.69	9.39

Note: One subject was unable to give even an estimated breakdown.

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100 - P).

	%	95% C.I. Number	%	95% C.I. Volume
Within District	(a) 57.5	41.87 - 73.13	(f) 25.3	11.55 - 39.05
Within Region	(b) 20.0	7.35 - 32.65	(g) 10.25	0.66 - 19.84
Within Scotland	(c) 77.5	64.30 - 90.71	(h) 39.38	23.93 - 54.83
Within U.K.	(d) 57.5	41.87 - 73.13	(i) 15.7	4.20 - 27.19
Export	(e) 42.5	26.87 - 58.13	(j) 9.39	0.17 - 18.61

Introduction

The main objective associated with this question was to obtain a geographical breakdown of sales and then to relate these results to volume of business.

In view of the importance placed on production and export by the assisting bodies particular attention has been paid to two areas of the market:-

a) Businesses exporting more than 10% of their product.

b) Businesses selling more than 20% of their product outwith Scotland and in the remainder of the United Kingdom.

Findings

Basic information about the two groups is contained in Tables E35 and E36 (Appendices E23 and E24).

a) Group exporting more than 10% of their product.

Test 119 ($x^2 = 4.75$) demonstrated a significant relationship between these businesses and the form of business organisation. Two out of three companies achieved 10% or more sales as exports compared to one out of four sole proprietors and partnerships.

Test 120 ($x^2 = 5.58$) likewise demonstrated a relationship between these businesses and the volume of business produced with more than half of the businesses with a turnover in excess of £10,000 exporting more than 10% compared to one out of every six businesses in the lower range by turnover.

Test 123 (x^2 = 1.99) indicated a potential link between these businesses and the previous business experience of the proprietor. However, as considered under para 5.3.8 this may well be secondary action following the confirmed significant relationship between previous business experience and volume of business; the mere fact that businesses with proprietors who have previous business experience tend to produce the larger volumes of business may mean that wider markets can be considered solely because of volume and not because of previous experience.

Thereafter, tests failed to produce any further significant or indicative results.

b) <u>Group selling more than 20% of their product outside Scotland in the remainder of the United Kingdom</u>

Test 113 (x^2 = 5.68) showed a significant relationship between this group and the factor of business organisation. In particular it was found that only 1 in 5 of the sole proprietors and partnerships sold 20% or more of their product outside Scotland and in the remainder of the U.K. compared to 2 out of 3 companies.

Test 115 (x^2 = 4.74) likewise established a significant relationship between the group and the factor of the previous training of the proprietor. It was found that approximately half of the proprietors who have previous training sold more than 20% of their product outwith Scotland and in the remainder of the U.K. compared to 1 in 6 of the proprietors without training.

Test 118 ($x^2 = 2.96$) provides a strong indication that there could be a link between the group and the combination of the previous craft and business experience of the proprietor. However, in view of the conclusions reached under para 5.3.8 regarding the independent characteristics of the group with both previous craft and business experience it would not be realistic to draw negative conclusions on other groups from this one result.

Further tests on previous craft experience and previous business experience as independent groups failed to produce either indicative or significant results, supporting the decision taken above.

Conclusions

Owing mainly to lack of available information on retail outlets in the survey areas and regions it is not possible to do other than restate the volumes and percentages modified by the confidence intervals as being the most likely pattern of distribution within Scotland.

Exports are shown to be more likely to be generated by the larger businesses and particularly by those organised on a company basis. Whether these sales are particularly sought after or whether they are the result of a requirement to 'sell' an increasing volume or volume surplus to national requirements is not known. There is one other possibility which will be considered in a more general context - the encouragement and assistance of various bodies to exhibit and trade abroad or their efforts to match foreign trade inquiries to potential suppliers. While the total export contribution falls within a wide range by confidence intervals it can nevertheless be estimated as in para 5.3.16, Table E45.

Therefore, it is clear that if the assisting bodies now or in the future wish to provide assistance with a view to encouraging sales of craft goods made in Scotland as exports then they should look to the larger businesses by volume of production and to those with potential to increase production. The difficulty lies in the identification of businesses with that potential: apart from the obvious factor of the motivation of the proprietor the only clues which can be offered to assist in identification are those of business organisation (company structure more likely to export) and the previous business experience or training of the proprietor (proprietors with these elements more likely to sell a substantial proportion of their product outside Scotland).

5.3.15 Development of the Business

Question 1: Using total sales figures as a base and accounting for inflation, in the last three years has the business ......

a) Remained static
b) Expanded
c) Contracted

and your estimate for the next three years?

a) Static
b) Expand
c) Contract

Results: (Last three years)

TABLE E37

	Result	%
Remained static	7	22.58
Expanded	23	74.19
Contracted	1	3.23

Note: 1. In the case of 9 subjects the question was not relevant as they had not been in business over the period covered by the question.
2. In the case of 1 subject the answer was unknown.

		%	95% C.I.
Remained Static	(a)	22.58	7.56 - 37.60
Expanded	(b)	74.19	58.47 - 89.91
Contracted	(c)	3.23	0.00 - 9.58

Findings

The results show that 75% of the proprietors were positive that their business had expanded in real terms over the past three years. A smaller group, 23% of the total, had remained static and only one business had contracted. Tables providing base information about the two groups is contained in Appendices E25/E26.

The factor of previous development was tested against a series of other factors in an attempt to identify significant elements. The results of the tests show that no significant element exists within the range of elements which can be measured.

Test 125 ($x^2 = 1.95$) provides an indication that there could be greater potential for expansion within the larger volume business but this could be a dangerous assumption because some of these businesses could have been contained within the lower volumes of businesses during some part of the three year period.

Test 128 ($x^2 = 1.97$) suggests that there might be a relationship between development and previous craft experience where the proprietors with that experience seem more likely to have remained static. Here again, the time factor is relevant because of the link between previous craft experience and the structure of the business (para 5.3.8) and the previously noted desire on the part of many of the proprietors to limit expansion to enable them to maintain contact with the craft itself. Considering the relatively short average duration of the businesses it is possible that many of these businesses had before or during the period in question achieved the size and pattern desired by the proprietor. This view is supported by the fact that 6 out of the 7 businesses concerned were organised on a sole proprietor basis. It would be countered however by Test 125 where business organisation over both groups was found to be a negative factor.

Similarly Test 129 (x^2 = 1.68) suggests that the previous business experience of the proprietor might be influential. As previously noted (para 5.3.8) there is a positive link between previous business experience and the higher volumes of business. Thus it may be assumed that there is a movement towards these higher volumes of business in stages as the business develops which could account for the result of Test 129. Yet here again, the actual stage of development at the time of the survey is not known and therefore the result cannot be put into perspective.

Consideration of all three tests indicates a need to relate the results to stages of development over a longer period than the three years covered by the question. In that context the survey results concerning duration of business are the only guide. Examination on this basis provides evidence to suggest that the business which had remained static over the three years had a comparatively high average duration (14.3 years). The business which had expanded had a much lower average duration (7.6 years, excluding the exceptional result W32). Subtracting the three years covered by the question, the businesses concerned had been in operation for some 4½ years on average. It is therefore reasonable to assume that many of the businesses contained in this group would still be in the process of achieving their 'natural' size be that determined by market forces or the motivations of the proprietor even in terms of the smaller business.

Conclusions

In view of the test results the only conclusion which can be drawn is that expansion appears to be largely determined by the period over which the business has been operating with the implication that expansion takes place mainly over the first 7 or 8 years and thereafter that the businesses tend to stabilise.

Results: Estimated development over the next three years

TABLE E40

	Result	%
Remain static	10	28.57
Expand	24	68.57
Contract	1	2.86

Note: In the case of 6 subjects the answer was recorded as unknown.

		%	95% C.I.
Remain static	(a)	28.57	13.30 - 43.84
Expand	(b)	68.57	52.88 - 84.26
Contract	(c)	2.86	0.00 - 8.50

Findings (Next three years)

As in the previous section dealing with development over the past three years, tests based on proprietors' responses failed to produce any significant relationship between estimated development and any other factor.

Test 6 (x^2 = 2.65), however, provided an indication of a possible link between future development and assistance in terms of grants, the recipients having a larger proportion of their number confident of development.

Tests 135 (x^2 = 1.99) and 11 (x^2 = 1.59) likewise indicated a possible link between future development and the elements of the previous business experience and training of the proprietor.

In view of the conclusions reached under the previous section, the factor of duration was examined. The group estimating that they would remain static had an average duration of 9.8 years. The group estimating expansion had an average duration of 6.3 years (excluding the exceptional result W32). These results provide confirmation of the conclusions already reached concerning the stages of development.

Conclusions

It would appear that the results and tests related to past and estimated development point clearly to the staged development of businesses since their formation as being the most positive factor of influence.

This conclusion must have serious implications for those concerned in the encouragement of craft businesses in Scotland. If there are no other factors clearly identified with expansion over previous years and none associated with estimated expansion then there is no means of directing assistance to that end - the only possible approach is to provide assistance over the whole spectrum in the first instance to allow the businesses to grow and mature to their 'natural' shape and size. Thereafter, specific requests for assistance in terms of expansion can be examined on an individual basis.

However, it must be recognised that circumstances such as economic developments and market requirements are not constant. It is therefore extremely important that factors associated with the development of these businesses in the past, present and future are kept under constant scrutiny: while this survey has failed to identify any such factors it cannot be assumed that these factors will not exist in the future.

It is therefore essential that a data base for monitoring development in the long-term be established either by those primarily responsible for the crafts in Scotland or perhaps by a crafts association in which the majority of craftsmen have membership.

5.3.16 Volume of Business

Question 2: Volume of Business (£000) in the last full year?

.... under	6	....
or	6-10	....
	11-15	....
	16-20	....
	21-25	....
	over	....

Results:

TABLE E43

	Number	%	95% C.I.
Under 6	19	50.00	33.78 - 66.22
6 - 10	5	13.6	2.19 - 24.13
11 - 15	4	10.53	0.57 - 20.49
16 - 20	2	5.26	0.00 - 12.50
21 - 25	2	5.26	0.00 - 12.50
36 - 40	1	2.63	0.00 - 7.80
71 - 75	1	2.63	0.00 - 7.80
116 - 120	1	2.63	0.00 - 7.80
146 - 150	1	2.63	0.00 - 7.80
196 - 200	2	5.26	0.00 - 12.50

Findings

Three proprietors refused to answer this question. Thereafter, responses appeared to be positive and without bias. For example, several proprietors asked for the bandings to be repeated prior to indicating their selection and in the cases where the answer was outside the bandings, the proprietors stated the actual figures which provides a 'bonus' of information. In some other cases, proprietors went into another room or part of the room to look at their own sources and returning to give the answer and in one case the proprietor gave the answer and called in his wife to confirm that the answer was correct. Under these circumstances there is no reason to doubt the accuracy of the responses.

As the main purpose of the question was to ascertain the pattern of these businesses in terms of the volumes (£) produced and the combined total which could then be related to elements such as exporting, it is first of all necessary to clarify doubts about the total survey population to assist in the revision of the total craft businesses population. As stated in para 5.2.1 there would be good reason based solely on the survey results to estimate that the total number of businesses in operation in Scotland at that time equated to 73% of 1147 (837). As the survey population was relatively small, this figure would be modified by the application of 95% confidence intervals to a banding between 704 and 976 businesses. However, owing to the 'time-lag' in recording the cessation of existing businesses and the probable recording of new businesses then the above solution based solely on the survey results would be misleading since it acknowledges cessations on one side of the equation but ignores newly formed businesses. This view would be supported by the overall figures for the craft population in Scotland (Appendix C: Tables C4, C5, C6, C7) indicating modest increases in numbers. It is therefore reasonable to revert directly to the actual number of business contained in the Index without modification and to apply information gained from the survey such as the pattern of distribution by volume (£) to that number. There is only one problem with this revised solution - there is no way of knowing whether the businesses which had ceased trading were large, small or medium in terms of volume and yet there is reason to assume from the results relating to development that they will have been replaced by the new businesses which would probably be contained in the lower trade volumes. The nearest equivalent situation within my own experience relates to calculation of global salary figures for groups of staff on incremental scales where it is assumed that there is steady progression through the scales with those at the top leaving and being replaced by new appointments at varying points within the scale according to their experience achieving a broad balance. On this experience I feel that it is acceptable to assume that a similar balance will be being achieved in this case and that the revised solution provides a reasonable basis for estimation.

Calculations contained in Table E44, Appendix E29 are based on a simple projection of the established distribution of the survey population to the total craft population. The total value (£) of production has been calculated on the mid-point of each banding; while that cannot be claimed to be the mean in each case, it has been noted that in the volumes stated as £26,000 and over 5 out of 6 are in fact at the upper limit of each band. In addition, the lowest volume (under £6,000) has been taken as being £4,000 on the grounds that turnover of less than £2,000 would be unlikely in a continuing business and that figure represents the approximate mid point between £2,000 and £5,999. From my own personal experience, very much larger volumes than £2,000 can be generated from a part-time business operated on very limited working hours. On this basis, it can be estimated that the total value of the production of these craft businesses is in the region of £31m for the year prior to the survey.

From this information, it is possible to estimate the value of sales within the various market areas and as contained in Table E45.

TABLE E45

Estimated Value of Sales within the selected Market Areas

Market Area	% Share	£31,038,000
Within the District	25.3	7,852,614
Within the Region	10.25	3,181,395
Within the remainder of Scotland	39.38	12,222,764
Within the remainder of the U.K.	15.69	4,869,862
Export	9.39	2,914,468

Conclusions

When compared to the U.K. Gross National Product for 1975 as contained in the Annual Abstract of Statistics 1976 of £93,146m then their contribution can be measured as 0.033%. If the craft business in the remainder of the United Kingdom follow the numbers and patterns of those in Scotland then one would expect to see an overall U.K. contribution to the GNP in the order of 0.18 - 0.20%. Small perhaps, when measured against major industries such as whisky and motor vehicles but certainly not insignificant.

5.3.17 Supporting Services

Question 1: Could you suggest ways in which central or local government could assist in supporting or developing your business?

....

Findings

This question was included in the questionnaire to give respondents an opportunity to make creative suggestions concerning the relationship between craftsmen and central or local government or their agencies.

In the event, the results were far from positive in creative terms, 14 respondents (34.1%) answering in the negative and a further 7 (17.1%) either stating that there was already too much interference at this level, or suggesting that the operation of the HIDB was not efficient anyway.

Of the remainder, 6 respondents (14.6%) thought that more assistance could be given towards the advertising and selling functions, 8 (19.5%) felt that more readily accessible grants and loans would be of assistance and a further 3 (7.3%) suggested that help in obtaining premises would be of value to them.

On examination, there is no positive relationship between the answers given by businesses which had received grants or loans and the remainder. Indeed, four of the proprietors who had received grants were among the most critical of such assistance.

Conclusions

It would therefore appear that no clear consensus exists among craftsmen of the role of central or local government or their agencies in the development of craft businesses.

However, there is evidence to support a demand from craftsmen for more assistance in terms of the provision of funds, of assistance in obtaining premises and in marketing and selling. This evidence should be interpreted as being beyond the services already offered by bodies such as the SDA and HIDB.

The overall conclusion must be that this result is in accord with the general survey findings which indicate a strongly independent stance among craftsmen.

5.3.18 Supporting Services

Question 2: Could you suggest ways in which professional or trade organisations could assist you in supporting or developing your business?

....

Findings

Many respondents found difficulty in identifying a professional or trade organisation applicable to their craft. While such organisations do exist in some areas, for example, the Scottish Craftsman Potters' Association and the Design and Research Centre for the Gold, Jewellery and silversmithing industries(1), there does not appear to be much interest among craftsmen either in existing associations or in forming their own associations.

With this background, it is therefore not surprising to find that 28 (68.3%) of the respondents could not offer any suggestions for ways in which such organisations could assist their business.

However, of the remaining businesses, 4 (9.77%) implied that help was needed in the area of employment, training and technical information, 3(7.3%) all from the HIDB area suggested that the range of services offered by the SDA would be more appropriate to them, and a further 3 (7.3%) thought that such organisations could perhaps give assistance in finding markets.

(1) Since re-constituted to form a trust, and later disbanded.

Conclusions

Clearly, the positive suggestions which fall broadly within the anticipated range do not alter the general conclusion that a majority of proprietors feel that they do not wish assistance from professional or trade organisations. However, it is not clear whether this is because assistance is not required, because it is being obtained through their own activities or because it is being supplied from an alternative and unidentified source.

5.3.19 Description of Workshop Facilities

Question 1: How would you describe your workshop facilities?

a) Custom built for work ....

b) Adapted property ....

c) Existing living accommodation ....

d) Other ....

Survey Results:

TABLE E46

	Result	%
Custom built for work	9	22.50
Adapted property	28	70.00
Existing living accommodation	5	12.50
Other	0	0.00

Note: 1. In the case of 1 subject the question was not relevant because all production was on an outworker basis.
2. In the case of 1 subject the premises consisted of elements of all three categories.
3. Base = 40

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

	%	95% C.I.
Custom built for work	(a) 22.50	9.29 - 35.71
Adapted property	(b) 70.00	55.51 - 84.49
Existing living accommodation	(c) 12.50	2.04 - 22.96

Findings

The results show that 70% of these businesses were situated in adapted property which, from general observation during the survey, covered a very wide range from converted domestic garages to converted shops, church halls and warehouses.

A further 9 (22.5%) of the businesses were situated in custom built facilities. Further examination shows this group to contain a clear bias towards the middle and upper volumes of business. From observation, such premises had either been built as manufacturing units on the outskirts of towns, as extensions to domestic premises or as in one case an old building had been gutted and rebuilt to suit.

The remaining 5 (12.5%) of the businesses were situated in existing living accommodation and consisted entirely of those generating the lowest banding of sales.

In view of the findings of a clear majority use of adapted property it is pertinent to note some extracts from a technical study by John Worthington and Peter Eley (1978).

> "If a building no longer suits its original use due to changing circumstances, why not start afresh? The 'greenfield' approach is attractive, but can we so easily afford to discard our past? Most of the redundant buildings are well constructed, costly to demolish, in key locations and are integral part of the urban fabric.
>
> They can also be viewed as a potential resource, which if rehabilitated could provide cheaper and often more appropriate premises for new and growing firms than building afresh. By leaving buildings unused they become vandalised, the fabric deteriorates and blight spreads. By finding fresh uses decay can be halted and whole neighbourhoods rejuvenated, while at the same time maintaining a re-use of time and place.

.... Continued ....

"Small firms are an essential part of our economy. To the consumer they offer four main benefits.

- o First, they can be more flexible and responsive to particular needs than large firms.

- o Second, the product or service provided may cost less.

- o Third, they are often more resilient, flexible and less vulnerable to disruptions such as industrial action.

- o Finally, they are an important source of innovation, developing new products or services that large companies may well suppress or ignore.

....

It is often argued that small firms take up precious space, generate traffic and are eye-sores. In practice the small firm uses space very intensively, is often a good neighbour, helps pay for the services provided by local government and through their variety provide stability; the economic fortunes of one large firm may have a disastrous effect on an area whereas the passing of several small firms can more easily be assimilated."(29)

....

"Small firms looking for accommodation have limited time and inclination to find out what is available or pursue the feasibility of overcoming the planning and financial constraints to utilise empty buildings. Very small units are in short supply and individually the firms are too small to organise the development of large empty buildings. Very small units of accommodation (below 2000 sq ft) are a nuisance for the estate agent to deal with, and the small firm has to rely on the grapevine, local advertising or possibly the local authority. The commercial developers on both new estates and in converted buildings have been reluctant to provide small units of accommodation which are seen by financial institutions and developers as:

- o more risky, as small firms are seen to be more vulnerable to failure and have poor covenants

- o less convenient to manage compared with a few large units

- o more expensive to develop

- o less profitable and attractive than investing in new accommodation for pre-letting to large and reputable organisations

- o difficult to provide with access for goods and supplies, especially with a yard where a lorry can unload

- o basic space which they can upgrade to their own requirements and standards using their own knowledge, energy and time o a location which is close to customers, suppliers, and a pool of skilled labour

There is no shortage of either the supply of space, or the demand for accommodation. The problem is a mismatch between the type of space available, the lending criteria of the financial institutions and the types of accommodation required. The missing element is new initiative for assisting the development to happen."

....

Conclusions

The technical study by Worthington and Eley clearly acknowledges the importance of the small firm to the economy and highlights a particular resource problem of business accommodation.

This survey has already identified that resource as being the second most influential factor among craftsmen regarding the location of their business and as such is likely to be of major importance in the development of the crafts in Scotland, in both physical and geographical terms, in the future.

5.3.20 Ownership of Workshop Premises

Question 2: Who owns the premises?

a) the craftsman ....

b) rented ....

Survey Results:

TABLE E47

	Result	%
Owned by Craftsman	27	69.23
Rented by Craftsman	13	33.33

Note: 1. In the case of 1 subject the answer was omitted from the questionnaire.
2. In the case of 1 subject the question was not relevant because all production was on an outworker basis.
3. Base = 39

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P)

	%	95% C.I.
Owned by Craftsman	(a) 69.23	54.45 - 84.01
Rented by Craftsman	(b) 33.33	16.92 - 49.74

Findings

The results show that a clear majority of the premises used are owned by the craftsmen.

As already demonstrated, the availability of a suitable property or site is the second most influential factor in the location of a business and the substantial majority use is of adapted property.

Thereafter, and assuming that a business has been able to find premises, it is important to know whether the means of obtaining those premises has any effect on performance or if there is any link between the categories of premises and a particular group of businesses.

Basic information about the groups owning and renting their premises was prepared as contained in Tables E48 and E49 (Appendices E30/31). From this information Tests 137 and 138 were completed and found to be negative. However it was noted that the group of businesses renting their premises had proprietors who, on average, were approximately ten years younger and who had been in business for less than half of the time of the proprietors owning their own premises.

Conclusions

The only link between the ownership or hiring of working premises would appear to be with the average age of the proprietor and the duration in business.

The most likely explanation would be that the older proprietors had had longer in business to become established and to secure or generate capital with which to purchase their premises.

5.3.21 Community

Question 1: As a craftsman are you/have you ....

a) accepted into the local community?

....

b) supported by the local community?

....

c) comments concerning the community?

....

Survey Results: (a) Acceptance

TABLE E50

	Result	%
Accepted	32	91.43
Not Accepted	3	8.57

Note: 1. In the case of 5 subjects the question was not relevant.
2. In the case of 1 subject the question was not answered.
3. Base = 35

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P).

	%	95% C.I.
Accepted	(a) 91.43	81.97 - 100.00
Not Accepted	(b) 8.57	0.00 - 18.03

Findings

a) In the first part of the question, the survey results were conclusive in showing that the vast majority of craftsmen (91.4%) had no problem in being accepted as part of their community.

Of the small proportion (8.6%) who felt that they had not been accepted into their community, two suggested that it was because the bulk of their business was not local and the third was situated in an old mill on the outskirts of a village where she felt isolated from that community.

Survey Results: (b) Support

TABLE E51

	Result	%
Supported by community	25	71.43
Not supported by the community	10	28.57

Note: 1. In the case of 5 subjects the question was not relevant.
2. In the case of 1 subject the question was not answered.
3. Base = 35

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P).

	%	95% C.I.
Supported by community	(a) 71.43	56.16 - 86.70
Not supported by community	(b) 28.57	13.30 - 13.84

b) In the second part of the question, interpretation is more difficult as, on reflection, the word 'supported' could perhaps have been identified with a positive element such as sales. Nevertheless, a substantial majority of the respondents were positive in stating that their businesses were supported one way or another by the community.

Of the remainder, calculations show that on average they sold only 11.7% of their production within the district and therefore there is an element of doubt as to whether they wished to sell more locally and were unable to do so or whether they directed such a small proportion of their product towards the community that there was a basic problem of identification or communication.

c) The open question inviting comment from respondents produced little more than explanations of the answers given above except in 7 (20%) cases where comments were made about the development potential of the community and in a further 2 (5.7%) cases where respondents were highly critical of the standard of craftsmanship of goods sold in local shops.

Conclusions

Based on experience gained during the pilot survey it was anticipated that there might be markedly different responses from different communities.

In the event, the survey results suggest that in general terms the small craft business has little if any difficulty in becoming an accepted part of the community and that it is likely to receive positive support from that community.

However, it should be noted that the survey covered three districts only and that it is still possible for there to be marked differences from the survey results in some communities. For example, it was reported in the media that an oil related survey had pointed to difficulties of integration between industry employees and their families and the local communities in the north-east of Scotland. There were hints during the pilot survey in Durness of 'unease' between the craft village and the local community. In particular, wives living in the craft village gave the impression of isolation, minimum contact with the local community together with an ambience of strained tolerance. One example concerned the efforts of a craft business to obtain a girl trainee from the local community. It was stated that the local girls were not interested in learning a skill: they were only interested in getting a job in a local hotel or bar, in finding a man and getting away from the area. There were also references to communication and transport difficulties: it appeared that the craftsmen were irritated and disadvantaged by these problems whereas the local community was quite content with the situation.

While it is doubtful if the assisting bodies could do much to improve or ease relationships between craftsmen and the local community it is nevertheless an area which should be closely monitored to provide a better understanding of the areas of difficulty.

5.3.22 Previous Place of Residence

Question 2: Place of residence prior to the establishment of the business?

....

Survey Results: (Related to volume of business)

TABLE E52

	Foreign	England Wales Ireland	Scotland	Local
	3 (7.3%)	6 (14.6%)	15 (36.6%)	17 (41.5%)
Volume of Sales < 6	66.7%	50.0%	61.5%	43.5%
6 - 25	33.3%	33.3%	30.8%	31.3%
over	0.00%	16.6%	7.7%	25.0%

Of the proprietors interviewed during the survey, 78% had been living locally or within Scotland immediately prior to the establishment of the business and approximately 22% had come from the rest of the U.K. or abroad.

In relating the place of residence prior to establishment to the volume of sales generated, tests based on the numbers external to Scotland are too small to act as a base for tests and cannot be combined to provide meaningful information. The above Table can only give an indication of possible relationships between factors.

The surprising feature to emerge is that businesses established by local proprietors appear to have a bias towards the larger scale while those established by 'incomers' from the remainder of Scotland tend towards the smaller scale.

Conclusions

From knowledge gained during analysis of the findings it would appear that this possible relationship between local proprietors and the larger scale business could influence other factors such as employment. Conversely, proprietors settling into a new area tend towards the smaller scale business and will therefore be less likely to provide that level of employment.

This factor provides strong support to the poignant comments of craftsmen in the Lochaber District concerning the lack of support from the HIDB for local craftsmen. Although outside the terms of this survey, similar comments were made by other craftsmen in the HIDB area during the pilot survey and to the effect that it was comparatively easy to get assistance if you came from London or Hong Kong but if you were local and needed capital for a new piece of equipment then all sorts of obstacles were found. If such criticism is justified then this survey would appear to suggest that HIDB resources may be being misdirected if factors such as employment are to be given any realistic priority.

5.3.23 Art College Graduates

Numbers Identified:

TABLE E53

	Result	%
Art College Graduates	9	21.95
Non Graduates	33	80.19

Note: In one case both members of a partnership were Art College graduates and completed this section of the questionnaire. The base remains at 41 as there were 9 graduates within the 41 businesses.

Adjusted for Sampling Error using the formula $\sigma_p = \sqrt{\frac{PQ}{N}}$ (Q = 100-P).

	%	95% C.I.
Art College Graduates	(a) 21.95	9.02 - 31.88
Non Graduates	(b) 80.19	68.11 - 92.87

Introduction

Throughout the preceding analysis the Art College graduates have been incorporated as any other respondent. Therefore, much of that analysis is relevant to these graduates. However, in view of the fact that they combine with trade-trained apprentices to form the core of craftsmen who can be said to have a formal training in their subject and because they alone will represent between 10% and 35% of the total number of craft proprietors, then it is important to look closely at them as a group.

Such examination has particular relevance at a time when the HIDB are in the process of establishing 'Highland Craftpoint' which will serve amongst other things as a school for craftsmen.

The numbers of graduates recorded once again makes statistical testing invalid and examination must be confined to the observation of trends which might, in the context of a larger sample, prove to be of significance.

Similarly, the questions asked of these graduate respondents relating to the College/s attended, the years of attendance, awards and specific subjects, were intended to act as a base for further study through contact with the four Central (Art) Institutions but with the small numbers concerned comparisons would not be supportable.

Findings

Base information on the group of graduates is contained in Table E54 (Appendix E32). From this information it would appear that graduate training is unlikely to influence the kind of business organisation adopted. However, there is a movement in the other results which suggests a relationship between that training and the age of the proprietor, the duration in business and the volume of sales generated. The comparatively high proportion of businesses in the lowest banding by volume may well be the result of the low average age of the proprietors and the low average duration of their businesses. Further, it is reasonable to suggest that these factors may be linked to a greater tendency to expand over future years.

Conclusions

On the surface there is evidence to support the conclusion that the formal training attained by the Art College graduates has little or no effect on the performance of their businesses other than a tendency towards the small scale. However, such a conclusion would ignore the fact that the graduates are younger than average, have been in businesses for a comparatively short period and therefore that they have not as yet had the same opportunity to develop.

Art College Graduates (Continued)

Questions: 5) Now that you have practical experience in the craft, do you wish to make any comment on the suitability of your College training concerning technical knowledge?......................

6) Similarly, do you wish to make any comment on the suitability of your College training concerning business knowledge? ....

7) Do you think that business studies should be a compulsory part of the training of designer-craftsman in Art Colleges? ....

Findings

Suitability of College training related to technical knowledge.

Response to this question was varied with a majority suggesting that technical information was either not sufficiently emphasised or not readily available, while a minority stated that in their experience it was comprehensive and of a high quality.

Suitability of College training related to business knowledge.

A substantial majority felt that their College training had either omitted this element altogether or that such a small proportion had been included as to make the question irrelevant.

Business Studies as a compulsory part of College training.

5 (62.5%) of the graduates felt that business studies should be a compulsory part of a designer-craftsman's training.

3 (37.5%) were positive in stating that it should not be compulsory. Of these, two felt that business studies should nevertheless be available as an option for students while the third was adamant that College training should concentrate on the creative and skill elements leaving business training to post-graduate level or something to be taken along with work experience.

Conclusions

As a lecturer involved with these designer-craftsmen graduates it is a matter of personal regret that the sample size of this survey could not have been enlarged sufficiently to provide meaningful results for sub-groups of this kind. In effect, the results merely indicate what I have observed in practice. For example, it was almost inevitable given the size of sample and the number of courses within the four colleges that the results would not show positive direction in terms of technical and business knowledge. Similarly, as responsible for one of the few compulsory courses in business studies in an art college I am aware of strong, almost passionate, arguments for and against the inclusion of business studies at that level - views held by colleagues on the staff as well as by students.

Therefore, the only valid conclusion is that this subject area should, in the not too distant future, become the subject of special attention.

CHAPTER 6

General Conclusions

Chapter 6

General Conclusions

6.1.1 The research programme set out to find answers to a series of questions:-

i) Who are the craftsmen?

ii) What are the major influences on them?

iii) What trends or patterns, if any, can be identified relating to numbers, location and personnel, over a period of approximately 4 years?

iv) What is the development potential?

6.2.1 Who are the craftsmen?

In the strict terms of numbers and identification, the index provided a simple and direct answer. That information in conjunction with knowledge of the craft practised provided opportunity for analysis of geographical location and the relative numerical strengths of the various craft groups.

The survey based on a sample has provided a good estimate of information about the craftsmen in individual and overall terms.

We know that they enter the craft business over a wide variety of ages from their 20's to their 60's, and that the majority start in business between the ages of 21 and 35. (Para 5.3.9)

It has been shown that their background in terms of training and experience is likewise extremely variable. For example, a majority have no form of craft training prior to establishing their business and only some 40% have craft training which can be quantified. Similarly, in terms of previous experience, a small majority were found to have craft experience and a minority to have business experience. Indeed one in three were found to have neither previous craft nor business experience prior to establishment. (Para 5.3.7 and 5.3.8)

We know that approximately two out of three located their business in their home area and therefore, by implication, are either native to that area or resident in that area. (Para 5.3.10)

What attracts such a variety of people into the crafts business? The answer which could of course be almost as varied as the numbers involved can nevertheless be grouped according to some likely possibilities:-

a) Employment: particularly within the younger age group of proprietors the current shortage of employment opportunities may well be responsible for them turning to self-employment. This certainly is true for many art college graduates for whom teaching is no longer a common source of employment. From the range of ages identified at the establishment of the business, retirement is certainly associated with employment in the crafts and probable that redundancy is too.

b) Independence: throughout the process of analysis there has been a recurring theme of the search for independence as influencing the choice of business organisation of a substantial majority of proprietors. This result does not appear to be unique. Golby and Johns in a commissioned study for the Commission of Inquiry (Bolton 1971) on the attitudes and motivation of owner-managers of small firms concluded:-

"This need for "independence" sums up a wide range of highly personal gratifications provided by working for oneself and not for anybody else. It embraces many important satisfactions which running a small business provided - the personal supervision and control of staff, direct contact with customers, the opportunity to develop one's own ideas, a strong feeling of personal challenge and an almost egotistical sense of personal achievement and pride - psychological satisfactions which appeared to be much more powerful motivators than money or the possibility of large financial gains." (30)

c) <u>Creative satisfaction</u>: is closely linked to the matter of independence. Bolton (1971), in a section dealing specifically with the crafts, introduced consideration of the creative element:-

"If the independent craftsman felt he could take employment in a larger organisation which offered him the same satisfaction and scope for developing his skills, and so make his special contribution to society in that milieu, there would be little problem. Many craftsmen, however, would not willingly give up their independence. If forced to do so by circumstances their creativity, and hence their contribution, would suffer." (31)

This is, in my view, an extremely important reason why people become involved in the crafts. It can be argued that if some 40% of proprietors have no previous craft experience then it cannot be applied as a reason for their entry. Experience and training are not essential pre-requisites for the emergence at virtually any age of a strong creative urge. There are many examples in different fields such as painting and writing.

d) <u>Opportunity</u>: The survey identified a small group of proprietors representing some 15% and operating on a company structure. There can be little doubt, judging by the numbers of employees and turnover that as individuals their association with the craft must be tenuous and responsibilities more associated with those of an owner-manager of a small firm. For them it would appear that the crafts offer a business opportunity and so they form a separate category by motivation from the majority of proprietors.

Unlike doctors, dentists, lawyers or members of other professions which all demand a standard set of entry requirements, craftsmen come from a wide range of backgrounds, training and experience. Nor do they have a common motivation. These factors are, in my view, largely responsible for the equally wide range of good and bad products, dull and exciting products which we can see under the general label of 'The Crafts'. Do we want a 'standard' product? Certainly there are strong moves being made (eg. Scottish Craft Centre) to raise standards supported by equally strong arguments relating to markets and consumer association with the crafts. As previously suggested, there is even an argument to support the view that proprietors without training should not be entitled to call themselves craftsmen. This is undoubtedly a major problem facing the future of Scottish crafts and craftsmen of the future.

6.2.2 What are the major influences on them?

As it was found that approximately one in three of the businesses had received assistance from either the SDA or HIDB then clearly the policies and methods of implementation adopted by these bodies are a major influence on the craftsmen as a whole. These policies appear to take two main directions:-

1. Financial assistance in the form of grants or loans for the establishment or development of the business.
2. Services.

As there is positive evidence to show that grants are being channeled towards craft entrants with formal training then there is an incentive to obtain training or to encourage entry from those with training. Equally, it is probable that this, intentionally or otherwise, will act as a discouragement to those without formal training. This is an important issue because as demonstrated (para 5.3.5) these grants and loans may well be the only practical source of external funding to craftsmen no matter what their background and training may be. It could therefore be seen as a very powerful tool in modelling the craft businesses of the future.

There is evidence to suggest that one of the major services offered by these bodies is also not as readily available to all craftsmen as many would suppose. Certainly, the annual reports relating to the two main marketing events, the Scottish Crafts Trade Fair at Ingliston and the Highlands and Islands Trade Fair at Aviemore suggest that approximately 35% (some 200 at at each event allowing for some who appear regularly at both) of the craft businesses take advantage of these events. Yet entry is by selection which has caused rumblings of discontent, the creation of a subsidiary event 'Scot Gifts' and accusation of favouritism and lack of appreciation of the market on the part of the organisers. While there is no evidence so far as I know of restrictions in the other services offered by these bodies it would nevertheless appear that there is a conscious effort being made to enforce standards. (Para 5.3.17)

When these factors are set against evidence provided by the survey that some craftsmen wish to have more assistance available in terms of grants, premises, marketing and selling and in turn allied to the recurring vein of independence and the non-committed response to the role of these bodies then clearly there are grounds for concern. Another major influence on these craft businesses must centre on the market - and in all aspects of the market from the wider economic climate to their relationship with commerce and with the customer. In the general economic sense they certainly do not have any form of additional protection through favourable taxation or any other means - they have, at present, to compete with larger enterprises working on a mass production basis.

Within the market, demand for craft goods has either risen or, by trial and error, found to exist. But demand is not a fixed and permanent commodity. The degrees of flexibility required of the supplier to meet changes in demand must obviously vary enormously and a major factor in the favour of these small craft businesses is that they have demonstrated a willingness to learn by experience as shown by the 49% who made changes of product or policy. (Para 5.3.11)

An adverse factor within the market is the luxury classification which, as previously considered, generally places them in a 'high risk' category, vulnerable to taxation penalties and the directing of spending to essentials in hard times. (Para 5.3.12)

A key factor however within the market context is their relationship with the wholesalers and retailers. Given that approximately one third of the products are sold direct to the customer by the craftsmen, then the remaining two thirds are distributed 'through the trade'. (Para 5.3.13)

Research has found that relationship to vary considerably from one of mutual respect between craftsman and retailer to outright animosity frequently centred on the issue of payment related to time. As demonstrated, this element can be crucial to survival and in the long term interests of the crafts, something positive requires to be done. These external influences have to be set against the major influences on the craftsmen which they bring with them - their previous training and experience. These elements, already considered in their own terms, appear to have a clear association with decisions and tend to shape the business accordingly. They can be summarised as:-

1. Previous craft experience - associated with the sole proprietor form of business organisation.(Para 5.3.1)
2. Previous craft training - associated with location by the availability of property.(Para 5.3.7)

3. Previous craft training - associated with sales throughout the remainder of the U.K. (Para 5.3.7)

4. Previous craft experience - associated with the use of their own retail outlet for a majority of their product. (Para 5.3.8)

5. Previous business experience - associated with a tendency to attain the higher volumes of business. (Para 5.3.8)

Thus, the influences on the craftsmen have been shown to be numerous and in many cases powerful, internal and external.

6.2.3 <u>What trends or patterns, if any, can be identified?</u>

The research programme has provided detailed information on the numbers of craftsmen within the initial definition over a four year period. It is not possible, however, for reasons already stated to supplement that information with reliable figures prior to 1975. Therefore, the only conclusions which can be reached are:-

a) That the figures produced (illustrated on page 34, Fig. C23) have been accepted by those engaged in a specialist, full-time capacity within the crafts for Scotland. (Para 3.1.3)

b) That they provide evidence to support the widely held view of expansion in the number of craftsmen throughout the 1970's up to 1977. In 1978 it was found that the increase in new businesses was negated by a substantial increase in the number of 'drop-out' or 'closed' businesses resulting overall in a decrease in the number of craft businesses. (Para 3.1.3)

These conclusions inevitably prompt a series of questions. Could 1977 be seen as the peak of expansion? Does the result for 1978 signify the start of a trend of contraction, the start of a 'levelling-off' process or was it simply a 'bad year' perhaps for general economic or trading reasons?

Unfortunately, the answers are not so easily supplied - indeed, I am extremely reluctant to go beyond the stage of questioning for two main reasons. First, because the time scale is too short for realistic assessment. It is quite possible that single year reversals in an overall trend have occurred in the past and if so, the significance would be greatly reduced. Secondly, because there is no means of assessing the reasons for the increase in the rate of closed businesses which would appear to be the major cause. The comparatively low period of duration identified through the survey could be cyclical with 1978 as a peak year in that cycle. If such factors were known, then a reasonable attempt could be made to assess the significance of that single year result.

Therefore, the main conclusion must rest in terms of the requirement for a systematic approach to records and the assessment of reasons for failure - a task which, by definition, should fall on the SDA. For reasons similar to those outlined above, that is, short time-scale of results and a lack of supplementary information, this programme of research can only point to a series of possible trends or patterns. For example, there is evidence to support the view that consumers have, in the past decade, gradually moved towards recognition of the fact that craftsmen are often capable of providing a real alternative to the mass produced article on a competitive basis. Measurement of that movement and assessment of the possible extent of movement is, in itself, a subject for intensive research.

The direction of assistance, both financial and service, by the SDA to entrants with a proven level of ability and training could be of major importance. The survey results do not show any real difference in actual performance between the groups with and without these proven levels of ability or training, yet the time-scale is too short for realistic appraisal.

However, the pattern which emerges from the results and is potentially of greatest importance is that of sub-groups which can be identified from a variety of factors already considered in terms of motivation and influences. There are three such sub-groups:-

1. Proprietors who place great emphasis on independence probably measured in terms of their personal control of the business and their freedom to express themselves through the craft. In return from these freedoms, they probably accept the likelihood of a small income as being the almost inevitable consequence of avoiding growth with its associated problems.

2. Proprietors who still value their independence and their personal contact with the craft but who are willing to expand and employ within the constraints of their personal values. Such expansion may, in some cases, be extremely limited (eg taking on an apprentice) and in others quite extensive.

3. Proprietors whose independence and personal association with the craft are subordinate to the interests of growth and expansion - broadly, the objective being to maximise the potential of the business.

Of course, there will be cases where proprietors might claim to be in between these groups. However, I believe that this is a fair and supportable conclusion.

6.2.4 What is the development potential?

Perhaps the most appropriate first response to this question is another question. Are these businesses making any contribution to our society which makes them worthy of consideration for development?

The survey has shown that the answer to this subsidiary question is undoubtedly positive. They are making a contribution - and that contribution can, to an extent, be measured.

In terms of volume of production, to achieve an estimated £31 m in 1976 cannot be regarded as insignificant particularly when that figure ignores the contribution by purchase of materials and services and the supply of goods and services to the retail/wholesale trade. In terms of employment the businesses have been shown to generate between 3,000 and 4,000 full-time jobs and some 1,200 to 1,600 part-time jobs. (Para 5.3.16)

Then there are the less quantifiable elements: the retention of skills, the means of creative expression so essential to any progressive society and the element of competition for industry.

Overall, there can be no possible doubt that they do make an important contribution to our society and that they do merit serious consideration in terms of development.

There is undoubted potential for development in a number of areas. In terms of 'recruitment' the art colleges in particular provide much of the background training needed for entry. The students are aesthetically aware but lack the years of practical work experience necessary for a confident approach. There must also be some doubt about the colleges' willingness to provide the essential component of business studies acknowledged by Bolton (1971), and further doubt as to whether the students during their courses are sufficiently mature to accept and benefit from that business studies component. But colleges are not the only source of recruitment - as noted, redundancy, early retirement and reduced school-leaver employment opportunities are no longer vague possibilities but are present here and now, with every prospect of increase in the years to come. So, from the paths of vocation, alternative vocation and reduced opportunity there would appear to be an ample supply of the raw material for recruitment.

If supply is assured, what of demand? As noted, there is insufficient information available for assessment. However, there are indicators. In January 1979, the BBC programme 'Spectrum' featured the crafts in Scotland. The transcript (kindly forwarded by the producer) provides confirmation of a view held by many:-

"<u>COMMENTARY 22</u>

> Aesthetics aside, there is another reason to reassess our headlong plunge into craft. The ten year boom is not immortal. Craft is subject to public whim and fad just as fashions in clothes, wallpaper and other artefacts.

NORMAN GRANT

*.. all the indications are that we are close to saturation point. Ten years ago when I started modern jewellers were a hundred and fifty miles apart whereas nowadays they are similar to grocers or bakers. I'm sure that we are reaching saturation point but that does not mean that new craftsmen won't be coming to the fore. What it does mean is that for every new craftsman, one has to fade away.

*Statement abstracted from the transcript.

(32)

Norman Grant has publicly stated a fear expressed privately by many - saturation. Are there grounds for such fears? At the risk of accusations of repetition, there is no means of quantifying demand nor is there sufficient background information on patterns of demand for assessment purposes. But his views should, I suggest, be taken into account.

While there is much we do not know about the market, there are factors which are known if not in great detail. For example, the market is not one uniform object; broadly, there is a low end, a middle and a top end usually identified by quality and monetary value - even if the two are not always in harmony. 'Spectrum' (1979) commenting on the selection policy adopted by the SDA at the Trade Fair drew a direct statement of policy from the SDA:-

"COMMENTARY 13

Because of this selection policy, the lucrative souvenir market is scarcely represented here at all. And yet it's at the bottom end of the market that the retailer really rakes in the cash. The SDA are unrepentant.

CRAFTS OFFICER SDA

There are some, again at this Trade Fair, some very good quality low priced souvenir products which can be produced in great quantities. Eh, it's all a matter of taste, and the consumer needs educating, ah, just as you need educating in your palate so you need educating about the products you have about you in your own home and that you give away for gifts. And that's one angle we're working on.

REPORTER TO CAMERA

Ingliston's a very successful Fair it does attract buyers and it did about a million pounds worth of business last year. But the curious thing about Ingliston is that it's a very partial showcase of Scottish crafts. What you will see at Ingliston, are the craftsmen with space in their orderbooks often young trying to get themselves off the ground. What you won't see at Ingliston are the older established craftsmen with no space in their orderbooks, or indeed the craftsmen who've decided to ignore the growing market and voluntarily decided not to expand their businesses." (33)

So here we have the addition of a further complication - the policy of education against the low end of the market for the promotion of the top end. In short, cutting off one market while attempting to build another.

Clearly there is a major dilemma facing the future of crafts in Scotland - a dilemma not primarily of markets and demand but of strategy. It appears that there is a strong movement amongst academics and planners to opt for the development of a smaller number of craftsmen of quality, perhaps with the intention of putting Scotland at the top of the quality league table.

The results of the current research do not, in my view, lend support to this strategy at this point in time. While the SDA should be congratulated for having at least stated a policy, it is certainly ill-timed and probably ill-conceived. Implementation will require the continuance of the policy of selection and rejection. What criteria will be used? The product? Certainly, value judgements can be made on existing products - but what of new entrants, of potential development, of the chances of success or failure, of individual motivation or of independence?

This research has demonstrated that much more work will have to be done (possibly over some 5 - 10 years) before there will be sufficient information on which to base these decisions. (Para 5.3.5)

Bolton (1971) cited the crafts for special attention in terms of assistance:-

> "We do not think our readiness to contemplate support for the crafts inconsistent with our general rejection of subsidies for small businessmen. In this respect we consider that support for the crafts is justifiable on the same social and cultural grounds as is the excellent service to rural industry provided by the Council for Small Industries in Rural Areas and its Scottish counterpart and to the arts by the Arts Council. Respect and care for these values is in our view obligatory for any rich and civilised nation. Since a lively crafts sector may also produce substantial economic benefits, complementing the contribution of the arts to the promotion of tourism, we think that effective, if modest, financial support is well worth consideration." (34)

In that statement, Bolton has achieved a balance between the contribution of the crafts to our social and cultural wellbeing and our economic requirements - a balance which the SDA have patently failed to achieve probably due to their obligation to restrict their activities to economic development, international competitiveness, employment and industrial efficiency to the exclusion of social and cultural criteria.

As a direct result of this programme of research I would therefore suggest that an intermediate and alternative strategy is necessary.

1. That a major effort be made by the SDA to establish and maintain an adequate system of records of craft businesses throughout Scotland. That system should be capable of recording the following information:-

   a. Date of establishment of the business.
   b. Nature of the business and complete range of products.
   c. The proprietors' objectives.
   d. The previous training and experience of the proprietor.
   e. In the event of closure, the proprietor's reasons.
   f. A 6 monthly check on all the above.

2. That in view of the sub-groups identified, a strategy of phased assistance be adopted.

   a. Initially on a very broad base, thus allowing and encouraging entry from the total range of interests and abilities identified.

   b. The awarding of financial assistance and services to meet the needs of the business as it develops. For example,

      i) The small-scale business of a strongly independent nature may well require assistance in the form of co-operative selling organised by the SDA and HIDB.

      ii) The business with limited development potential may well require extended financial and service assistance.

      iii) The businesses where development may be maximised could qualify for a further level of assistance.

3. That once sufficient information is available for the purposes of identification of potential within the business, then a strategy could be considered for selection and for the gradual improvement of quality.

6.3.1 The programme of research is concluded. The questions have been asked and answered within the extremely limited scope allowed by the resources of time and finance. However, in view of the major findings, I will perhaps be permitted to revert to the role of a practising craftsman in Scotland and express the hope that this work will not become an isolated academic exercise: that others will approach this subject with fresh ideas and from different angles.

CHAPTER 7

Chapter 7

Postscript

7.1 It is inevitable, in a programme of research such as this, that many elements are explored and, for one reason or another, rejected. This research was no exception.

There is however one such element which should be recorded - the development of the ability in man of conceptual thinking. That ability allied to the progressive gains in basic skills and technical understanding is closely associated with the crafts and closer study of that historical pattern of development may well lead to a greater understanding of the apparently basic need in many people today to express themselves by this means. Such knowledge could well provide a base for the long-term development of the crafts and provide guidance for programmes of education in areas of projected growth such as 'education for leisure'.

7.2 Following a line of inquiry into research currently underway in the Lincolnshire and Humberside area by Frances Coleman Dip.A.D., M.Phil., an undertaking has been received that a copy of the final report will be sent to me immediately on completion, probably in September 1980. As the subject matter is understood to be parallel to the subject matter of this research, the report will be made available for comparative purposes.

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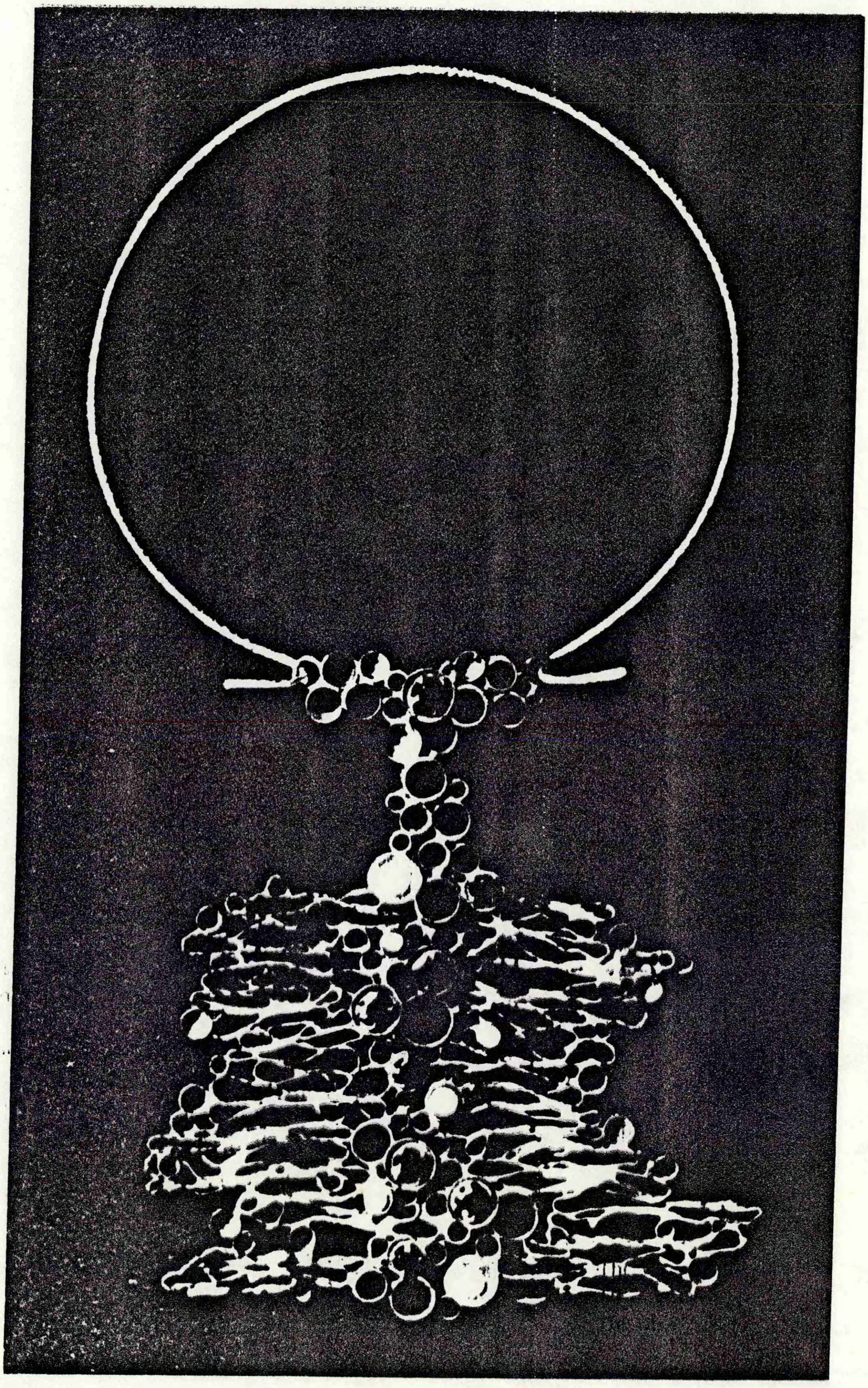
Examples of Personal Craft Work

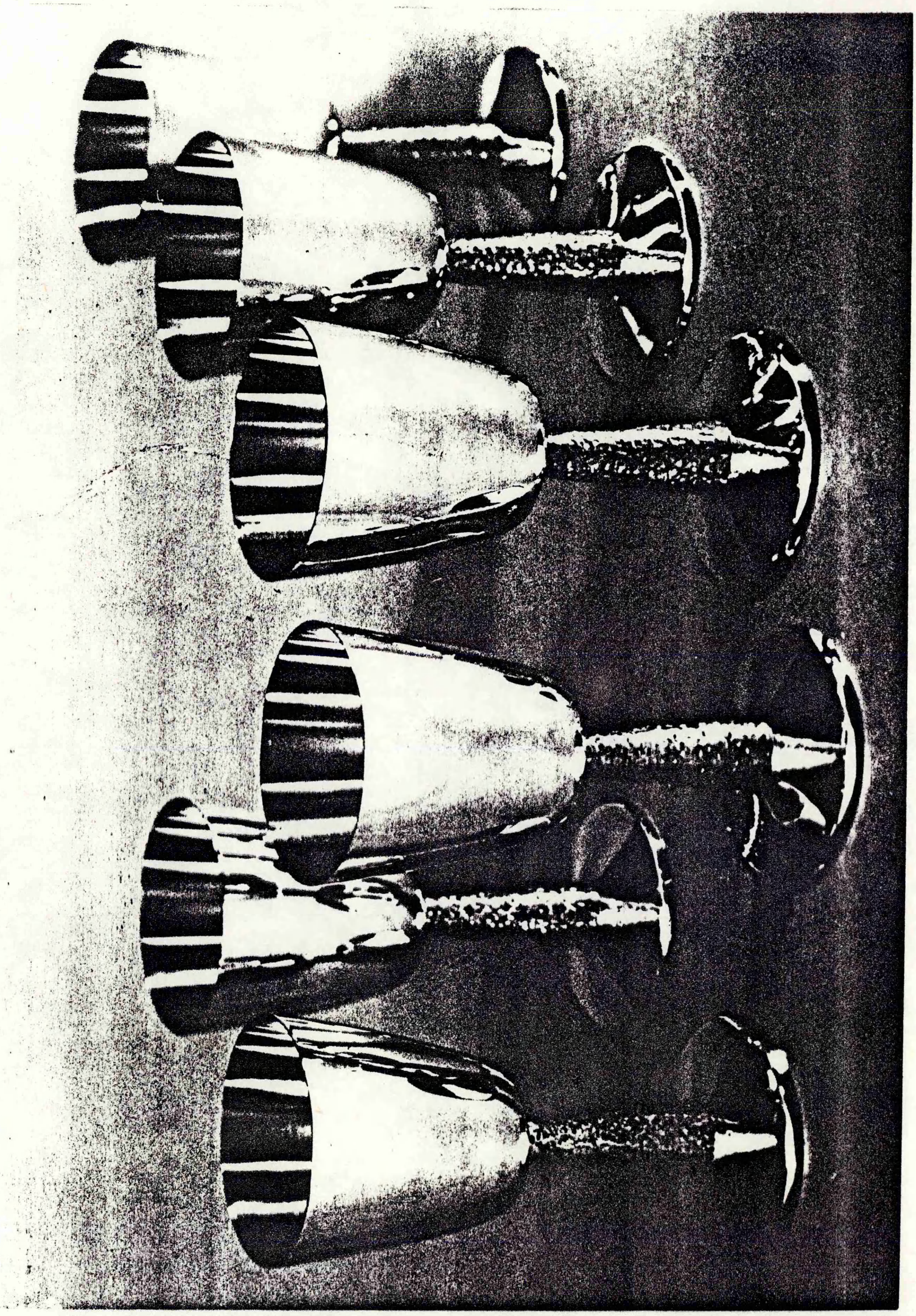


Necklace/ Pendant in silver-gilt with pearls and garnets

Examples of Personal Craft Work

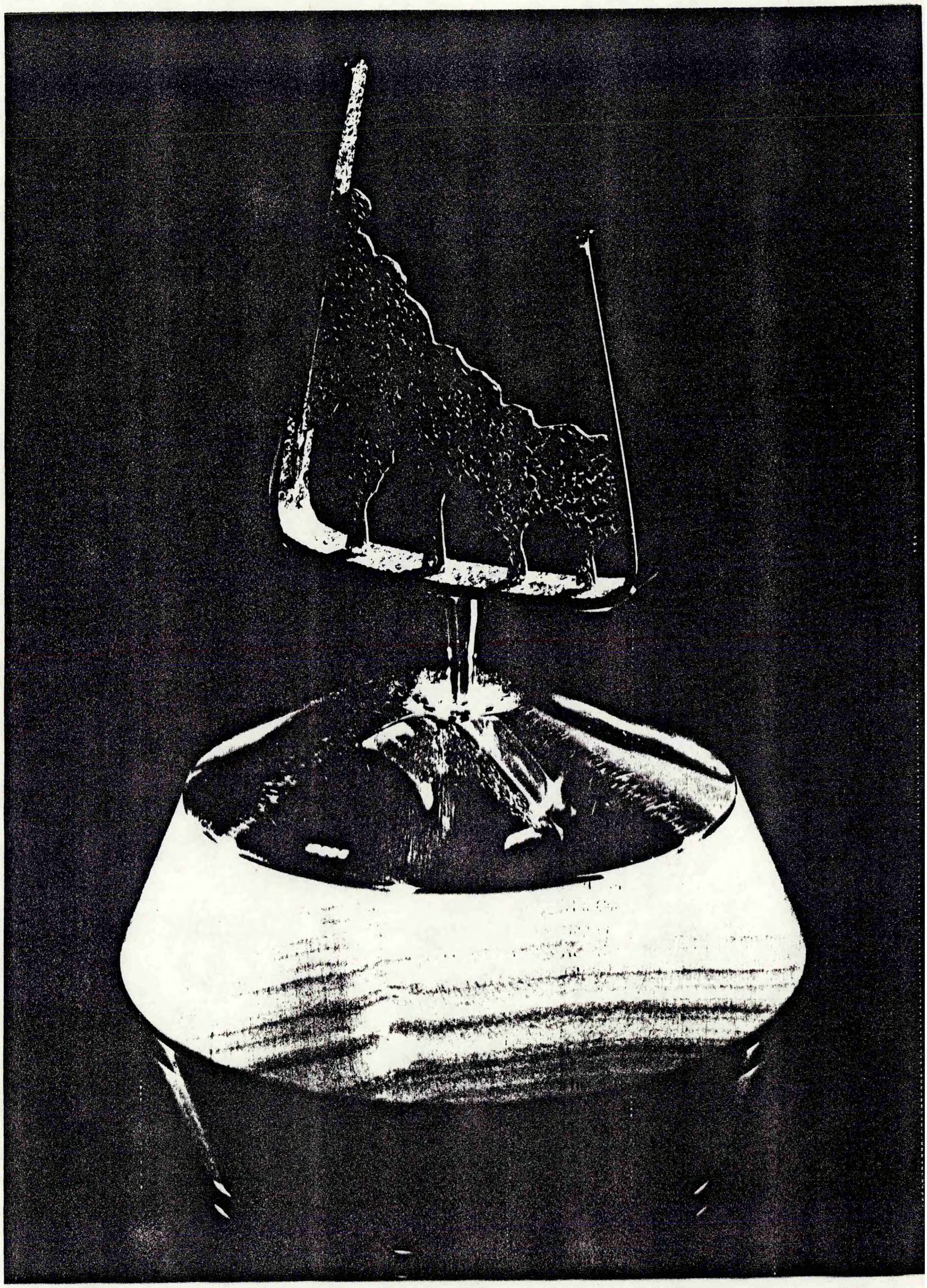
Chalice in standard silver and part gilt.

Examples of Personal Craft Work



Set of Goblets in standard silver part gilt.

Examples of Personal Craft Work



Trophy in standard silver, part gilt, wood base for environmental conservation in Fife.

Survey of Small Firms undertaken by the Small Industries Council for Rural Areas of Scotland and published in their Annual Report for the year ending March 1973.

Note : The survey does not relate specifically to craft businesses

"The Council decided to look more closely at the newly established small firms with which it was in touch, to enquire into the reasons why the owners started in business, how they had fared since their commencement and what their ambitions were for the future. The results of this enquiry are given in the tables....(1-6).."

Out of those firms which had started during or since 1970, 58 were selected at random, in the same ratio of business types and geographic location as in the whole group of firms. Each selected firm was visited individually and the Council is grateful to the people who were interviewed for giving their time to answering the questions which were put to them.

Of the 58 firms, 21 had been helped specifically by the Council, either with advisory services, with credit assistance or with a combination of the two.

The survey did not produce a picture of a typical small businessman. The ages of the owners ranged from the early 20s to late 50s, the majority of the people interviewed being in their 30s and 40s, married and with children. The business occupations covered a wide spectrum, although traditional industries such as joinery, textiles and general engineering formed the main proportion. This reflects the fact that in a rural area there is still a preponderance of traditional activity providing small scale industrial employment. Most of those interviewed had undergone no further education but had left school to serve an apprenticeship in the trade in which they started their business. In just over one-quarter of the firms sampled the owner's father had also been a proprietor of his own firm.

In spite of the bias towards traditional activities, 14% of the new firms, which had started since 1970, have been in such modern industries as electronics, plastics and food processing. This proportion is three times that of all the firms with which the Council is in touch and may suggest that there is a growing tendency towards the establishment of more firms in modern industrial fields. It was shown in the 1972 survey that such activities had a greater growth rate than the more traditional occupations (Table 1).

The chief motives for starting a business were given as better prospects, both financially and environmentally, and the independence of working for oneself. In some cases the ambition to own a business had been long-standing and the advantage was taken of the opportunity as it arose. The tabulated answers to the survey compare those who have started business for the first time with others who have run a business before and have re-started since 1970.

9% of those interviewed were impelled to set up in business through redundancy or in order to remain in a particular district. Of those who had been in business of their own before, nearly 20% undertook their new venture because they saw demand for a specific product or service whereas only 4% of those starting for the first time gave this as one of the reasons for their action (Table 2).

The choice of business was very largely dictated by the experience or trained skill of the proprietor—covering 68% of the people interviewed (Table 3).

The choice of a location for a new business was given in almost equal proportions as the availability of a factory or workshop premises and housing (36%) and the wish to live in a particular district (35%). Only half of that number (17%) cited as a reason for choice of area its suitability from the marketing point of view. Eligibility for government grants seemed to play only a small part in determining location. Throughout Scotland, however, grants are available in all rural areas and the special development areas offer only minor additional benefits for a new business (Table 4).

The people interviewed were divided equally between those who received outside encouragement to persevere with their plans and those who did not. Only 15% said that they had encountered no serious problems in getting their businesses started. The chief problem (30%) was money—lack of working capital, credit difficulties, having to wait long periods for payment by customers—and this financial experience applied equally to those who had been in business before and to those starting for the first time. The second most common problem was that of finding customers and maintaining a flow of orders. Other difficulties mentioned included sources of materials, availability of labour, costing and pricing (Table 5).

Of the firms which sought help towards solving these problems, 41% obtained advice and help from the Council while to a lesser extent assistance was sought from business colleagues, bank managers, accountants, solicitors or government departments (Table 6).

In 40% of the cases business was financed solely out of personal savings, redundancy pay, a mortgage or the sale of property or a car. 22% of the firms obtained additional finance in the form of a loan from the Council. Banks helped in 38% of cases and private sources in 17%. Other methods of financing included hire purchase, leasing and government or local authority assistance.

The ambitions expressed by those interviewed varied widely. About half wished to expand their businesses but still remain small enough for personal control to be retained. In one or two cases the desire to achieve complete financial independence was given, but in most instances the wish to run their own concern remained the principal motive. It is significant that 90% of those questioned claimed that they had no regrets at having started out on their own. A quarter of the sample claimed that they had little to learn from their past experiences, but lessons which were referred to included attention to costing and pricing, planning (particularly in finance) and care in personal matters such as the choice of colleagues or partners with whom to share their businesses.

The survey has shown that there are attractive opportunities for any enterprising person wishing to establish his business in rural Scotland.

The growth record of new small industries is an impressive one, particularly where the activities are based on modern technology. Although 21 of the firms sampled in the survey availed themselves of assistance from the Council towards developing their businesses, 37 did not do so. It is the Council's intention to ensure that the benefits of its comprehensive services of management and technical advice and of its credit facilities are made known as widely as possible to the owners of newly established enterprises and to those intending to set up on their own. By complementing an individual's expertise with the Council's own range of skills a pattern can be established for the steady and profitable development of a new business.)

Table 1

Types of Business	Total	First Venture	Others
Blacksmith/Agricultural Engineers ...	3	3	0
Clothing/Textiles/Knitwear	7	4	3
Electronics ...	2	1	1
Engineers – Electrical ...	1	1	0
General	6	4	2
Precision ...	4	4	0
Food	3	0	3
Foundries	1	1	0
Furniture	2	2	0
Joiners/Builders	8	6	2
Plastics	3	1	2
Pottery	4	2	2
Printing	2	1	1
Sawmills	1	0	1
Miscellaneous—Consumer	8	7	1
Industrial	3	3	0
	58	40	18

Table 2

Reasons for starting in Business	Total %	First Venture %	Others %
Better prospects	28	27	31
Opportunity arose	12	18	3
Had always wanted own business ...	11	18	0
Already in business part-time ...	10	11	7
Saw demand for product/service ...	9	4	19
Necessity, e.g. redundancy	9	10	7
Wished to live in a particular area ...	6	6	7
Suggested by others	4	4	3
Extension to existing business ...	3	0	7
Wished to manufacture a particular product	3	0	7
Others	5	2	9
	100	100	100

Table 3

Reasons for choice of Business	Total %	First Venture %	Others %
Trade or business qualifications ...	68	72	58
Knowledge of the market ..	12	9	21
Opportunity	9	9	11
Personal preference	5	4	5
Others	6	6	5
	100	100	100

Table 4

Reasons for choice of Location	Total %	First Venture %	Others %
Availability of premises/housing ...	37	38	35
Wished to live in a particular area ...	35	38	27
Well situated for markets	17	12	27
Government grant available	4	5	0
Wished to live in a rural district ...	2	3	0
Suitable labour available	2	0	7
Co-operation from local authorities ...	2	2	4
Labour troubles in previous area ...	1	2	0
	100	100	100

Table 5

Main Problems	Total %	First Venture %	Others %
Finance/credit difficulties/working capital/debtors	30	28	35
Finding markets and customers/ maintaining flow of work	13	15	9
No delegation possible	9	11	4
Supply difficulties	9	10	9
Lack of experience in production, of sales, or costing, etc.	8	11	0
Lack of labour	7	6	9
Others	9	8	13
None	15	11	21
	100	100	100

Table 6

Sources of Help	Total %	First Venture %	Others %
SICRAS	41	51	15
Colleagues/previous employer ...	23	24	21
Banks/Solicitors/Accountants ...	14	10	21
Government Departments ...	10	6	21
Family	6	6	7
Suppliers	6	3	15
	100	100	100

Survey of Small Manufacturing Firms undertaken by the SDA and reported in their Annual Report 1978

Note : The survey does not relate specifically to craft businesses

The year saw considerable changes in the status and increased recognition of the importance of small businesses in the United Kingdom. Together they account for 93% of manufacturing enterprises, employ one-third of the country's workforce and produce almost one-quarter of its output. The small manufacturing company is seen to be increasingly important to the national economy. The Agency has always been conscious of this importance, and committed to the encouragement of the sector. In autumn 1977 the Agency carried out an extensive survey of the needs of small manufacturing firms in Scotland.

The results of that survey showed that the needs of the smaller business for advice and help, some of which can be provided from the resources of the Agency's Small Business Division, are at least as significant as those for additional finance. No less than 77% of the firms surveyed felt a need for outside assistance of one kind or another, principally in the areas of marketing and management.

In the survey of the needs of small companies throughout Scotland, the Agency asked about the firms' expectations and intentions over the next five years. The results showed that some two-thirds of small businesses expect to expand their activities by investing in new plant and machinery, by diversifying their product range or by developing their markets at home and overseas. One quarter of the firms expect to maintain their present position without expansion and only 4% of the businesses expect to contract. This encouraging result will help the Agency to develop further its own special services for the benefit of the small business sector during the coming year.

Sources used for the compilation of the index in 1975

Table C 1

*	SICRAS	CC	HIDB	SD-C	SICRAS/CC	SICRAS/HIDB	SICRAS SD-C	TOTAL
A	25	1	6	-	13	1	-	46
B	55	2	3	-	14	3	1	78
C	53	6	7	-	14	2	1	83
D	23	2	2	-	10	2	1	40
E	10	-	-	-	1	-	-	11
F	34	1	3	-	8	4	-	50
G	35	4	6	-	13	3	-	61
H	52	3	8	-	24	5	-	92
I	13	2	2	-	1	-	-	18
J	18	2	1	-	6	-	-	27
K	18	1	3	-	9	1	-	32
L	35	3	5	-	12	1	-	56
M	128	6	4	-	33	3	-	174
N	16	2	3	-	4	-	-	25
O	5	-	2	-	-	2	-	9
P	25	2	1	-	6	2	-	36
Q	-	-	-	-	-	-	-	-
R	32	4	3	-	5	2	1	47
S	77	9	11	1	20	2	-	120
T	35	2	6	1	12	1	-	57
U	1	-	1	-	2	-	-	4
V	-	-	-	1	-	1	-	2
W	38	-	-	-	13	8	-	59
X	-	-	-	-	-	-	-	-
Y	5	-	-	-	2	1	-	8
Z	-	-	1	-	-	-	-	1
	733	52	78	3	223	43	4	1136

SICRAS - Small Industries Council for Rural Areas of Scotland index only.
CC - Scottish Craft Centre index only.
SD-C - Membership list of Society of Designer-Craftsmen only.
HIDB - Highlands and Islands Board publications only.
SIRAS/CC - Recorded in Sicras as also being members of Craft Centre
SICRAS/HIDB - Recorded in Sicras as also being located in HIDB area
SICRAS/SD-C - Recorded as being in Sicras and SD-C.

In a few isolated cases businesses were found to be present in more than two sources in which instances they are recorded in terms of the first two sources only.

* Analysis based on the alphabetical (A to Z) sections within the Index.

Table C 3

Identification by Craft Groups	
Group Number	Craft
1	Glass : blowing, engraving, stained
2	Silversmithing/ Jewellery : enamel, engraving and metalwork (precious)
3	Lapidary
4	Ceramics
5	Graphic : prints, maps, cards, calligraphy
6	Weaving
7	Knitting : crochet
8	Tapestry : macrame
9	Textile : silk screen, batik
10	Woodwork : carving and turning
11	Furniture : modern and reproduction
12	Musical Instruments
13	Wrought Iron : metalwork
14	Hornwork and Crooks
15	Skins : sheep, deer, seal
16	Leather
17	Soft Toys and Dolls
18	Embroidery
19	Candles
20	Plastic : polyester, acryllic
21	Shellcraft
22	Miscellaneous

Appendix C

Table C 4

1975

Analysis of the Index of Craft businesses as in December 1975, by Region and by Craft Group

Group	Fife	Grampian	Central	Dumf. & Gall.	Tayside	W. Isles	Border	Lothian	Strathclyde	Shetland	Orkney	Highland	Total
1	1	1	0	1	6	0	1	12	4	0	0	7	33
2	7	11	7	1	7	2	4	22	38	3	5	24	131
3	0	3	0	2	0	0	0	3	1	1	0	3	13
4	8	13	9	11	12	6	9	22	42	0	0	20	152
5	1	1	2	1	1	0	1	4	16	1	1	10	39
6	6	13	2	6	8	16	4	8	22	2	0	27	114
7	3	2	1	5	2	4	4	3	10	12	2	14	62
8	2	0	0	0	3	0	2	8	0	0	0	2	17
9	3	2	0	0	1	0	4	8	2	0	1	3	24
10	7	11	4	5	5	7	3	11	15	2	1	25	96
11	5	2	1	3	1	0	5	5	1	0	3	3	29
12	2	0	1	0	2	0	1	4	0	0	0	1	11
13	4	2	2	7	7	3	5	5	6	1	7	23	72
14	0	3	3	2	2	0	1	0	11	0	0	10	32
15	0	1	0	0	3	1	1	0	3	10	1	7	27
16	2	1	0	2	2	0	8	6	4	0	0	5	30
17	1	3	1	3	4	1	2	6	10	0	0	9	40
18	3	4	1	2	0	0	0	3	11	0	0	1	25
19	0	0	0	0	0	0	0	1	2	0	0	3	6
20	1	0	0	0	1	0	1	0	3	0	1	0	7
21	0	0	0	0	0	0	0	0	0	0	0	3	3
22	3	11	2	1	11	3	6	19	23	6	2	20	107
Totals	59	84	36	52	78	43	62	150	224	38	24	220	1070

Appendix C.

Table C 5

1976

Analysis of the Index of Craft Businesses as in December 1976, by Region and by Craft Group

Group	Fife	Grampian	Central	Dumf. & Gall	Tayside	W. Isles	Border	Lothian	Strathclyde	Shetland	Orkney	Highland	Total
1	1	1	0	1	5	0	1	13	4	0	0	6	32
2	7	11	7	1	7	3	4	23	43	4	5	26	141
3	0	4	0	3	0	0	0	1	1	1	0	4	14
4	8	15	10	11	10	6	12	23	46	0	3	24	168
5	1	1	3	2	2	2	1	4	16	2	0	14	48
6	6	13	1	7	9	25	6	8	21	2	1	27	126
7	2	3	1	5	4	8	6	3	11	15	5	20	83
8	2	0	0	0	3	0	2	11	0	0	0	3	21
9	3	2	0	0	3	0	5	8	2	0	2	4	29
10	6	11	4	8	3	7	6	11	18	2	1	28	105
11	4	2	1	3	1	0	5	5	1	0	4	4	30
12	2	0	1	0	2	0	1	5	0	0	0	1	12
13	4	2	2	7	7	3	6	5	6	1	7	23	73
14	0	3	2	2	2	0	1	0	12	0	0	11	33
15	0	1	0	0	3	2	1	0	2	10	2	9	30
16	2	1	0	2	2	0	6	7	4	0	0	6	30
17	1	3	1	3	4	2	2	6	10	0	0	12	44
18	3	4	1	2	0	0	0	3	11	0	0	2	26
19	0	0	0	0	0	0	0	1	2	0	0	3	6
20	1	0	0	0	1	0	1	0	3	0	1	0	7
21	0	0	0	0	0	0	0	0	0	0	0	3	3
22	2	7	4	1	12	3	6	15	20	5	2	18	95
Totals	55	84	38	58	80	61	72	152	233	42	33	248	1156

1977

Analysis of the Index of Craft Businesses as in December 1977, by Region and by Craft Group.

Group	Fife	Grampian	Central	Dumf. & Gall.	Tayside	W. Isles	Border	Lothian	Strathclyde	Shetland	Orkney	Highland	Totals
1	1	2	0	1	5	0	2	13	4	0	0	6	34
2	8	13	7	2	7	3	4	25	49	5	4	25	152
3	0	4	0	3	0	0	0	1	1	1	0	4	14
4	9	14	12	12	11	5	13	22	45	0	3	25	171
5	1	1	3	2	1	2	1	7	18	3	0	12	51
6	6	15	1	6	9	24	8	11	21	1	0	27	129
7	2	3	1	5	3	8	9	4	13	15	5	19	87
8	1	0	0	0	1	0	2	14	2	0	0	2	22
9	3	2	0	2	3	0	7	9	2	0	2	6	36
10	5	12	4	7	4	6	9	12	20	2	1	29	111
11	4	3	1	3	1	0	6	5	1	0	3	4	31
12	2	0	1	0	1	0	1	5	0	0	0	1	11
13	4	2	2	8	7	2	6	5	5	1	7	23	72
14	0	3	2	1	2	0	2	0	12	0	0	11	33
15	0	0	0	0	3	2	1	0	2	10	2	9	29
16	4	1	0	2	3	0	6	6	4	0	0	5	31
17	2	3	1	3	3	2	2	7	10	0	0	9	42
18	3	4	1	2	0	0	0	3	12	0	0	2	27
19	0	0	0	0	0	0	0	1	1	0	0	3	5
20	1	0	0	0	1	0	1	0	3	0	0	0	6
21	0	0	0	0	0	0	0	0	0	0	0	2	2
22	2	6	4	1	13	2	7	14	19	5	3	14	90
Totals	58	88	40	60	78	56	87	164	244	43	30	238	1186

Table C 7

1978

Analysis of the Index of Craft Businesses as in December 1978, by Region and by Craft Group.

Group	Fife	Grampian	Central	Dumf. & Gall.	Tayside	W. Isles	Border	Lothian	Strathclyde	Shetland	Orkney	Highland	Totals
1	1	2	1	1	5	0	3	11	4	0	0	3	31
2	8	12	9	4	7	3	5	26	43	5	4	24	150
3	0	4	0	2	0	0	0	1	1	0	0	4	12
4	8	14	9	12	10	5	13	19	45	0	4	23	162
5	1	1	2	2	1	2	1	5	18	1	0	11	45
6	4	14	2	7	6	20	9	9	21	1	0	22	115
7	2	3	2	4	4	8	10	8	13	15	4	14	87
8	1	0	0	0	1	0	2	13	3	0	0	2	22
9	3	2	1	2	4	0	6	8	0	0	2	4	32
10	4	9	3	7	4	6	11	13	18	2	1	23	101
11	4	3	1	5	0	0	6	7	3	0	3	2	34
12	2	0	1	0	1	0	1	6	1	0	0	3	15
13	3	2	1	6	6	2	6	4	5	1	7	19	62
14	0	3	2	0	2	0	1	0	11	0	0	9	28
15	0	0	0	0	2	2	0	0	2	7	1	7	21
16	5	1	0	2	3	1	5	7	4	0	0	5	33
17	1	3	0	3	3	1	2	6	10	0	0	8	37
18	2	5	1	2	0	0	0	3	11	0	0	2	26
19	0	0	0	0	0	0	0	1	2	0	0	3	6
20	1	0	0	0	1	0	1	0	3	0	0	0	6
21	0	0	0	0	0	0	0	0	0	0	0	2	2
22	2	5	3	1	11	4	8	11	22	7	4	28	106
Totals	52	83	38	60	71	54	90	158	240	39	30	218	1133

Table C 8

Craft Groups expressed as a % of the total of craft businesses recorded in the index for the years 1975 to 1978				
Craft Group	1975	1976	1977	1978
1 (Glass)	3.08	2.78	2.87	2.74
2 (Sil./Jewellery)	12.24	12.20	12.82	13.24
3 (Lapidary)	1.21	1.21	1.18	1.06
4 (Ceramics)	14.21	14.53	14.42	14.30
5 (Graphic)	3.64	4.15	4.30	3.97
6 (Weaving)	10.65	10.90	10.88	10.15
7 (Knitting)	5.79	7.18	7.34	7.68
8 (Tapestry)	1.59	1.82	1.86	1.94
9 (Textile)	2.24	2.51	3.04	2.82
10 (Woodwork)	8.97	9.08	9.36	8.91
11 (Furniture)	2.71	2.60	2.61	3.00
12 (Musical Instruments)	1.02	1.04	0.93	1.32
13 (Wrought Iron)	6.73	6.31	6.07	5.47
14 (Hornwork and Crooks)	2.99	2.85	2.78	2.47
15 (Skins)	2.52	2.60	2.45	1.85
16 (leather)	2.80	2.60	2.61	2.91
17 (Soft Toys and Dolls)	3.74	3.81	3.54	3.27
18 (Embroidery)	2.34	2.25	2.28	2.29
19 (Candles)	0.56	0.52	0.42	0.53
20 (Plastic)	0.65	0.61	0.51	0.53
21 (Shellcraft)	0.28	0.26	0.17	0.18
22 (Miscellaneous)	10.00	8.22	7.59	9.36

Table C 9

Table C 9

Analysis of craft businesses for the period 1975-78, by Region, showing the number of new (+) and closed (-) businesses.

Region	1975 Base No.	1975 -	1975 -	1976 Base No.	1976 Change 1975/76 +	1976 Change 1975/76 -	1976 Total	1977 Base No.	1977 Change 1976/77 +	1977 Change 1976/77 -	1977 Total	1978 Base No.	1978 Change 1977/78 +	1978 Change 1977/78 -	1978 Total
Tayside	78			78	11	9	80	80	5	7	78	78	5	12	71
Central	36			36	5	3	38	38	3	1	40	40	6	8	38
Border	62			62	13	3	72	72	16	1	87	87	13	10	90
Western Isles	43			43	21	3	61	61	0	5	56	56	4	6	54
Fife	59			59	1	5	55	55	6	3	58	58	2	8	52
Grampian	84			84	8	8	84	84	11	7	88	88	7	12	83
Highland	220			220	40	12	248	248	19	29	238	238	29	49	218
Strathclyde	224			224	19	10	233	233	31	20	244	244	31	35	240
Shetland	38			38	7	3	42	42	3	2	43	43	4	8	39
Lothian	150			150	19	17	152	152	17	5	164	164	25	31	158
Dumfries & Galloway	52			52	7	1	58	58	6	4	60	60	8	8	60
Orkney	24			24	10	1	33	33	1	4	30	30	2	2	30
Totals	1070			1070	161	75	1156	1156	118	88	1186	1186	136	189	1133
% New Businesses				$\frac{161}{1156} = 13.9\%$				$\frac{118}{1186} = 9.9\%$				$\frac{136}{1133} = 12.0\%$			
% Drop Out				$\frac{75}{1070} = 7.0\%$				$\frac{88}{1156} = 7.6\%$				$\frac{189}{1186} = 15.9\%$			

Table C10

TAYSIDE REGION

		1975					1976					
District	No	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCPas % of NCP y	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCP as % of NCP y	Craftsman/ Populat'n Ratio	% Change
												1975/76
Angus	1	88,086	1.691	16	1.49	1/5,505	89,700	1.723	15	1.30	1/5,980	x +0.032 y -0.19
Perth and Kinross	2	119,169	2.288	49	4.58	1/2,432	118,060	2.268	51	4.41	1/2,315	x -0.020 y -0.17
Dundee City	3	194,732	3.740	13	1.21	1/14,979	194,420	3.735	14	1.21	1/13,887	x -0.005 y + Nil
				78					80			
									Base 78 + 11 - 9			

Table C11

TAYSIDE REGION

		1977					1978					
District	No	District Home Populat'n	DHP as % of NHP X	Dist. Craft Pop'n	DCPas % of NCP Y	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP X	Dist. Craft Pop'n	DCP as % of NCP Y	Craftsman/ Populat'n Ratio	% Change
												1976/77
Angus	1	89,920	1.731	14	1.18	1/6,423	91,943	1.775	14	1.24	1/6,567	x +0.008 y −0.12
Perth and Kinross	2	119,288	2.296	50	4.22	1/2,386	119,470	2.307	42	3.71	1/2,845	x +0.28 y −0.19
Dundee City	3	192,765	3.710	14	1.18	1/13,769	191,517	3.698	15	1.32	1/12,768	x −0.025 y −0.03
				78					71			
												1977/78
				Base					**Base**		**Angus**	x +0.044 y +0.06
				80					78		**Perth/K.**	x +0.011 y −0.51
				+ 5					+ 5		**Dundee C**	x −0.012 y +0.14
				− 7					− 12			

Table C12

CENTRAL REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change 1975/76
Stirling	1	78,892	1.515	28	2.61	1/2,817	79,042	1.519	29	2.51	1/2,726	x +0.004 y −0.10
Clackmannan	2	47,610	0.914	5	0.47	1/9,522	47,847	0.919	6	0.52	1/7,975	x +0.005 y −0.05
Falkirk	3	142,779	2.742	3	0.28	1/47,593	143,167	2.751	3	0.26	1/47,722	x +0.009 y −0.02
				36					36 Base 36 + 5 - 3			

Table C13

CENTRAL REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCPas % of NCP y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/ Populat'n Ratio	% Change
												1976/77
Stirling	1	79,462	1.529	30	2.53	1/2,649	79,609	1.537	31	2.74	1/2,568	x +0.010
												y +0.19
Clackmannan	2	48,090	0.926	7	0.59	1/6,870	48,070	0.928	3	0.26	1/16,023	x +0.007
												y +0.07
Falkirk	3	143,986	2.771	3	0.25	1/47,995	144,137	2.783	4	0.35	1/36,034	x +0.020
												y -0.01
				40					38			
												1977/78
				Base 38					Base 40		Stirling	x +0.008
												y +0.21
				+ 3					+ 6		Clackmannan	x +0.002
				- 1					- 8			y -0.33
											Falkirk	x +0.008
												y +0.10

Table C14

BORDER REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change 1975/76
Tweeddale	1	13,877	0.266	9	0.84	1/1,542	14,035	0.270	13	1.12	1/1,080	x +0.004 y +0.28
Ettrick and Lauderdale	2	32,164	0.617	12	1.12	1/2,680	32,498	0.624	16	1.38	1/2,031	x +0.007 y +0.28
Berwickshire	3	17,313	0.336	14	1.31	1/1,251	17,728	0.341	12	1.04	1/1,477	x +0.005 y -0.27
Roxburgh	4	35,855	0.688	27	2.52	1/1,328	35,656	0.685	31	2.68	1/1,150	x -0.003 y +0.16
				62					72			
									Base 62 + 13 - 3			

Table C15

BORDER REGION

		1977					1978					
District	No	District Home Populat'n	DHP as % of NHP	Dist. Craft Pop'n	DCPas % of NCP	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP	Dist. Craft Pop'n	DCP as % of NCP	Craftsman/ Populat'n Ratio	% Change
												1976/77
Tweeddale	1	13,837	0.266	14	1.18	1/988	13,865	0.268	12	1.06	1/1,155	x -0.004
Ettrick and												y +0.06
Lauderdale	2	32,760	0.631	22	1.85	1/1,489	32,867	0.635	23	2.03	1/1,429	x +0.007
												y +0.47
Berwickshire	3	18,010	0.347	16	1.35	1/1,126	17,885	0.345	20	1.77	1/894	x +0.006
												y +0.31
Roxburgh	4	35,763	0.688	35	2.95	1/1,022	35,870	0.693	35	3.09	1/1,025	x +0.003
												y +0.27
				87					90			
												1977/78
				Base					Base		Tweeddale	x +0.002
				72					87			y -0.12
				+ 16					+ 13			
				- 1					- 10		Ett./Laud.	x +0.004
												y +0.18
											Berwick'e	x -0.002
												y +0.42
											Roxburgh	x +0.005
												y +0.14

Table C16

WESTERN ISLES REGION

		1975					1976					
District	No	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCPas % of NCP y	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCP as % of NCP y	Craftsman/ Populat'n Ratio	% Change 1975/76
Western Isles		29,615	0.568	43	4.01	1/689	29,693	0.570	61	5.27	1/487	x +0.002 y +1.26
									Base 43 + 21 - 3			

Table C17

WESTERN ISLES REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP	1977 Dist. Craft Pop'n	1977 DCPas % of NCP	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP	1978 Dist. Craft Pop'n	1978 DCP as % of NCP	1978 Craftsman/ Populat'n Ratio	% Change
												1976/77
Western Isles		29,701	0.572	56	4.72	1/530	29,665	0.573	54	4.77	1/549	x +0.002 y -0.55
				Base 61					Base 56			
				+ 0 - 5					+ 4 - 6			1977/78 x +0.001 y +0.05

Table C18

FIFE REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP(x)	1975 Dist. Craft Pop'n	1975 DCPas % of NCP(y)	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP(x)	1976 Dist. Craft Pop'n	1976 DCP as % of NCP(y)	1976 Craftsman/ Populat'n Ratio	% Change 1975/76
North-East Fife	1	64,951	1.247	36	3.36	1/1,804	65,170	1.252	33	2.85	1/1,975	x.+0.005 y.-0.51
Kirkcaldy	2	147,876	2.840	15	1.40	1/9,858	148,537	2.854	14	1.21	1/10,610	x.+0.014 y.-0.29
Dunfermline	3	123,512	2.372	8	0.75	1/15,439	125,027	2.402	8	0.69	1/15,628	x.+0.030 y.-0.06
				59					55			
									Base 59 + 1 - 5			

Table C19

FIFE REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCPas % of NCP y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/ Populat'n Ratio	% Change
												1976/77
North-East Fife	1	65,596	1.262	32	2.70	1/2,049	65,738	1.269	30	2.65	1/2,191	x +0.010 y -0.15
Kirkcaldy	2	148,985	2.868	18	1.52	1/8,277	149,576	2.888	15	1.32	1/9,972	x +0.014 y +0.31
Dunfermline	3	124,604	2.398	8	0.67	1/15,576	127,763	2.467	7	0.62	1/18,252	x -0.004 y -0.02
				58					52			
				Base 55					Base 58			1977/78
				+ 6 - 3					+ 2 - 8		N.E. Fife	x +0.007 y -0.05
											Kirkcaldy	x +0.020 y -0.20
											Dunfermline	x +0.069 y +0.05

Appendix C

Table C20

GRAMPIAN REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change 1975/76
Moray	1	80,590	1.547	19	1.78	1/4,242	81,046	1.557	18	1.56	1/4,503	x +0.010 y -0.22
Banff and Buchan	2	75,331	1.446	12	1.12	1/6,278	76,363	1.467	11	0.95	1/6,942	x +0.021 y -0.17
Gordon	3	47,939	0.920	15	1.40	1/3,196	50,976	0.979	16	1.38	1/3,186	x +0.059 y -0.02
Aberdeen City	4	210,362	4.040	14	1.31	1/15,026	209,831	4.031	15	1.30	1/13,989	x -0.009 y -0.01
Kincardine & Deeside	5	34,550	0.663	24	2.24	1/1,440	35,613	0.684	24	2.08	1/1,484	x +0.021 y -0.16
				84					84			
									Base 84 + 8 - 8			

Table C21

GRAMPIAN REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCPas % of NCP y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/ Populat'n Ratio	% Change
												1976/77
Moray	1	80,712	1.553	18	1.52	1/4,484	81,526	1.574	18	1.59	1/4,529	x -0.004
												y -0.12
Banff and Buchan	2	77,620	1.494	10	0.84	1/7,762	78,644	1.518	9	0.79	1/8,738	x -0.027
												y -0.20
Gordon	3	54,880	1.056	19	1.60	1/2,888	57,220	1.105	18	1.59	1/3,179	x -0.077
												y +0.22
Aberdeen City	4	208,340	4.010	15	1.26	1/13,889	208,569	4.027	15	1.32	1/13,905	x -0.021
												y -0.04
Kincardine & Deeside	5	37,167	0.715	26	2.19	1/1,429	38,235	0.738	23	2.03	1/1,662	x +0.031
												y +0.11
				88					83			
				Base 84					Base 88			1977/78
											Moray	x +0.021
												y +0.07
				+ 11					+ 7		Ban./Buch.	x +0.024
				- 7					-12			y -0.05
											Gordon	x +0.049
												y -0.01
											Aberdeen C	x +0.017
												y +0.06
											Kin./Dee'e	x +0.023
												y -0.16

Table C22

Highland Region

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change
												1975/76
Caithness	1	29,604	0.568	37	3.45	1/800	29,442	0.566	34	2.94	1/866	x -0.002 y -0.51
Sutherland	2	11,877	0.228	40	3.73	1/297	11,634	0.224	48	4.15	1/242	x -0.004 y +0.42
Ross and Cromarty	3	39,200	0.752	41	3.83	1/956	42,031	0.807	53	4.58	1/793	x +0.055 y +0.75
Nairn	4	9,305	0.178	4	0.37	1/2,326	9,633	0.185	5	0.43	1/1,927	x +0.007 y +0.06
Inverness	5	53,179	1.021	35	3.27	1/1,519	55,045	1.058	42	3.63	1/1,311	x +0.037 y +0.36
Skye and Lochalsh	6	9,672	0.185	28	2.61	1/345	9,777	0.188	29	2.51	1/337	x +0.003 y -0.10
Lochaber	7	19,827	0.380	13	1.21	1/1,525	19,601	0.377	13	1.12	1/1,508	x -0.003 y -0.09
Badenoch and Strathspey	8	9,380	0.180	22	2.05	1/426	9,297	0.179	24	2.08	1/387	x -0.001 y +0.03
				220					248			
									Base 220 + 40 - 12			

Table C23

Highland Region

District	No	1977					1978					% Change
		District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCPas % of NCP y	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCP as % of NCP y	Craftsman/ Populat'n Ratio	1976/77
Caithness	1	27,168	0.522	33	2.78	1/823	27,808	0.537	31	2.74	1/897	x -0.044 y -0.16
Sutherland	2	13,363	0.257	44	3.71	1/303	12,659	0.244	36	3.18	1/352	x +0.033 y -0.44
Ross and Cromarty	3	43,778	0.843	56	4.72	1/781	42,691	0.824	52	4.59	1/821	x +0.036 y +0.14
Nairn	4	10,031	0.193	5	0.42	1/2,006	10,173	0.196	6	0.53	1/1,696	x +0.008 y -0.01
Inverness	5	55,477	1.068	37	3.12	1/1,466	55,395	1.070	34	3.00	1/1,629	x +0.010 y -0.51
Skye and Lochalsh	6	9,943	0.191	29	2.45	1/343	10,090	0.195	31	2.74	1/326	x +0.003 y -0.06
Lochaber	7	20,366	0.392	9	0.76	1/2,263	20,124	0.389	9	0.79	1/2,236	x +0.015 y -0.36
Badenoch and Strathspey	8	9,626	0.185	25	2.11	1/385	9,584	0.185	19	1.68	1/504	x +0.016 y +0.03
				238					218			
				Base 248					Base 238			
				+ 19 - 29					+ 29 - 49			

Table C24

HIGHLAND REGION					
% Change (continued) between 1977/78					
Caithness	x +0.015 y –0.04	Nairn	x +0.003 y +0.11	Skye and Lochalsh	x +0.004 y +0.29
Sutherland	x –0.013 y –0.53	Inverness	x +0.002 y –0.12	Lochaber	x –0.003 y +0.03
Ross and Cromarty	x –0.019 y –0.13			Badenoch and Strathspey	x Nil y –0.43

Table C25

STRATHCLYDE REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change 1975/76
Argyll and Bute	1	64,613	1.241	80	7.48	1/808	65,615	1.261	87	7.53	1/754	x +0.020 y +0.05
Dumbarton	2	80,105	1.538	10	0.93	1/8,011	80,934	1.555	11	0.95	1/7,358	x +0.017 y +0.02
Clydebank	3	56,529	1.085	0	-	-	55,902	1.074	0	-	-	x -0.011 y Nil
Bearsden & Milngavie	4	37,572	0.721	3	0.28	1/12,524	38,022	0.730	3	0.26	1/12,674	x +0.009 y -0.02
Strathkelvin	5	80,354	1.543	6	0.56	1/13,392	81,455	1.565	5	0.43	1/16,291	x +0.022 y -0.13
Cumbernauld	6	54,063	1.038	1	0.09	1/54,063	56,268	1.081	1	0.09	1/56,268	x +0.043 y Nil
Monklands	7	108,689	2.087	0	-	-	107,561	2.066	0	-	-	x -0.021 y Nil
Glasgow City	8	880,617	16.914	32	2.99	1/27,519	856,012	16.446	33	2.85	1/25,940	x -0.468 y -0.05
Renfrew	9	208,862	4.011	9	0.84	1/23,207	209,476	4.024	10	0.87	1/20,948	x +0.013 y +0.03
Inverclyde	10	105,801	2.032	1	0.09	1/105,801	104,116	2.000	1	0.09	1/104,116	x -0.032 y Nil
Cunninghame	11	131,362	2.532	38	3.55	1/3,457	133,296	2.561	37	3.20	1/3,603	x +0.029 y -0.35

Table C26

STRATHCLYDE REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change
Kilmarnock & Louden	12	83,117	1.596	7	0.65	1/11,187	82,520	1.585	7	0.61	1/11,789	x -0.011 y -0.04
Eastwood	13	50,573	0.971	4	0.37	1/12,643	50,598	0.972	5	0.43	1/10,120	x +0.001 y +0.06
East Kilbride	14	81,299	1.561	12	1.12	1/6,775	83,441	1.603	12	1.04	1/6,953	x +0.042 y -0.08
Hamilton	15	106,780	2.051	7	0.65	1/15,254	107,178	2.059	7	0.61	1/15,311	x +0.008 y -0.04
Motherwell	16	159,640	3.066	0	-	-	161,104	3.095	0	-	-	x +0.029 y Nil
Lanark	17	55,017	1.055	7	0.65	1/7,860	55,049	1.058	7	0.61	1/7,864	x +0.003 y -0.04
Cumnock & Doon	18	48,600	0.933	2	0.19	1/24,300	47,638	0.915	2	0.17	1/23,819	x -0.018 y -0.02
Kyle & Carrick	19	111,316	2.138	5	0.47	1/22,263	112,458	2.161	5	0.43	1/22,492	x +0.023 y -0.04
				224					233 Base 224 + 19 - 10			

Table C27

STRATHCLYDE REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCP as % of NCP y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/ Populat'n Ratio	% Change
Kilmarnock & Louden	12	81,809	1.575	8	0.67	1/10,226	81,397	1.572	7	0.62	1/11,628	x -0.010 y +0.06
Eastwood	13	50,722	0.976	5	0.42	1/10,144	51,138	0.987	5	0.44	1/10,228	x +0.004 y -0.01
East Kilbride	14	84,852	1.633	16	1.35	1/5,303	83,670	1.615	12	1.06	1/6,973	x +0.030 y +0.31
Hamilton	15	107,575	2.071	7	0.59	1/15,368	107,183	2.069	6	0.53	1/17,864	x +0.012 y -0.02
Motherwell	16	153,922	2.963	0	-	-	152,561	2.946	0	-	-	x -0.132 y Nil
Lanark	17	55,296	1.064	8	0.67	1/6,912	56,085	1.083	8	0.71	1/7,011	x +0.006 y +0.06
Cumnock & Doon	18	46,890	0.902	3	0.25	1/15,630	46,659	0.901	3	0.26	1/15,553	x -0.013 y +0.08
Kyle & Carrick	19	113,162	2.178	4	0.34	1/28,291	112,514	2.172	4	0.35	1/28,129	x +0.017 y -0.09
				244					240			
				Base 233 + 31 - 20					Base 244 + 31 - 35			

Table C28

STRATHCLYDE REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCP as % of NCP y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/ Populat'n Ratio	% Change 1976/77
Argyll & Bute	1	65,113	1.253	80	6.75	1/814	64,701	1.249	81	7.15	1/799	x -0.008 y -0.78
Dumbarton	2	80,657	1.552	12	1.01	1/6,721	79,474	1.534	14	1.24	1/5,677	x -0.003 y +0.06
Clydebank	3	55,173	1.062	1	0.08	1/55,173	54,225	1.047	1	0.09	1/54,225	x -0.012 y Nil
Bearsden & Milngavie	4	38,228	0.736	4	0.34	1/9,557	38,890	0.751	3	0.26	1/12,963	x +0.006 y +0.08
Strathkelvin	5	82,523	1.588	6	0.51	1/13,754	84,091	1.624	6	0.53	1/14,015	x +0.023 y +0.08
Cumbernauld	6	57,725	1.111	1	0.08	1/57,725	61,888	1.195	1	0.09	1/61,888	x +0.030 y -0.01
Monklands	7	111,154	2.139	0	-	-	110,094	2.126	0	-	-	x +0.073 y Nil
Glasgow City	8	832,097	16.015	38	3.20	1/21,897	809,679	15.633	33	2.91	1/24,536	x +0.431 y +0.35
Renfrew	9	211,116	4.063	11	0.93	1/19,192	213,188	4.116	13	1.15	1/16,399	x +0.039 y +0.06
Inverclyde	10	103,245	1.987	2	0.17	1/51,623	102,839	1.986	2	0.18	1/51,420	x -0.013 y +0.08
Cunninghame	11	135,057	2.599	38	3.20	1/3,554	135,007	2.607	41	3.62	1/3,293	x +0.038 y Nil

Table C29

STRATHCLYDE REGION					
% Change (continued) between 1977/78					
Argyll & Bute	x −0.004 y +0.40	Monklands	x −0.013 y Nil	East Kilbride	x −0.018 y −0.29
Dumbarton	x −0.018 y +0.23	Glasgow City	x −0.382 y −0.29	Hamilton	x −0.002 y −0.06
Clydebank	x −0.015 y +0.01	Renfrew	x +0.053 y +0.22	Motherwell	x −0.017 Nil
Bearsden & Milngavie	x +0.015 y −0.08	Inverclyde	x −0.001 y +0.01	Lanark	x +0.019 y +0.04
Strathkelvin	x +0.036 y +0.02	Cunninghame	x +0.008 y +0.42	Cumnock and Doon	x −0.001 y +0.01
Cumbernauld	x +0.084 y +0.01	Kilmarnock & Louden	x −0.003 y −0.05	Kyle & Carrick	x −0.006 y +0.01
		Eastwood	x +0.011 y +0.02		

Table C30

SHETLAND REGION

		1975					1976					
District	No	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCPas % of NCP y	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCP as % of NCP y	Craftsman/ Populat'n Ratio	% Change
												1975/76
Shetland	-	18,494	0.355	38	3.55	1/487	18,962	0.364	42	3.63	1/451	x +0.009 y +0.08
									Base 38 + 7 - 3			

Table C31

SHETLAND REGION

		1977					1978					
District	No	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCPas % of NCP y	Craftsman/ Populat'n Ratio	District Home Populat'n	DHP as % of NHP x	Dist. Craft Pop'n	DCP as % of NCP y	Craftsman/ Populat'n Ratio	% Change
Shetland	-	20,352	0.392	43 Base 42 + 3 - 2	3.63	1/473	21,450	0.414	39 Base 43 + 4 - 8	3.44	1/550	1976/77 x +0.028 y - Nil 1977/78 x +0.022 y -0.19

Table C32

LOTHIAN REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCP as % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change 1975/76
West Lothian	1	121,224	2.328	7	0.65	1/17,318	124,304	2.388	9	0.78	1/13,812	x +0.060 y +0.13
Edinburgh City	2	470,085	9.029	99	9.25	1/4,748	467,097	8.794	106	9.17	1/4,407	x −0.235 y −0.08
Midlothian	3	83,841	1.610	19	1.77	1/4,412	84,882	1.631	18	1.56	1/4,716	x +0.021 y −0.21
East Lothian	4	78,858	1.514	25	2.34	1/3,154	79,010	1.518	19	1.64	1/4,158	x +0.004 y −0.70
				150					152			
									Base 150 + 19 − 17			

Table C33

LOTHIAN REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP X	1977 Dist. Craft Pop'n	1977 DCPas % of NCP Y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP X	1978 Dist. Craft Pop'n	1978 DCP as % of NCP Y	1978 Craftsman/ Populat'n Ratio	% Change
												1976/77
West Lothian	1	128,015	2.464	9	0.76	1/14,224	130,612	2.522	8	0.71	1/16,327	x +0.076 y +0.02
Edinburgh City	2	463,923	8.929	113	9.53	1/4,106	456,512	8.814	112	9.89	1/4,076	x +0.135 y +0.36
Midlothian	3	85,074	1.637	18	1.52	1/4,726	84,415	1.630	15	1.32	1/5,628	x +0.006 y -0.04
East Lothian	4	79,234	1.525	24	2.02	1/3,301	78,769	1.521	23	2.03	1/3,425	x +0.007 y +0.38
				164					158			
												1977/78
											W.Lothian	x +0.058 y -0.05
				Base 152					Base 164		Edin. C.	x -0.115 y +0.36
				+ 17 - 5					+ 25 - 31		Midloth'n	x -0.007 y -0.20
											E.Lothian	x -0.004 y +0.01

Table C34

DUMFRIES AND GALLOWAY REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/Populat'n Ratio	% Change 1975/76
Wigtown	1	30,030	0.576	8	0.75	1/3,754	29,845	0.573	10	0.87	1/2,985	x -0.003 y +0.12
Stewartry	2	22,348	0.429	20	1.87	1/1,117	22,419	0.431	23	1.99	1/975	x +0.002 y +0.12
Nithsdale	3	56,141	1.078	17	1.59	1/3,302	56,180	1.079	17	1.47	1/3,305	x +0.001 y -0.12
Annandale and Eskdale	4	35,148	0.675	7	0.65	1/5,021	35,141	0.675	8	0.69	1/4,393	x Nil y +0.04
				52					58 Base 52 + 7 - 1			

Table C35

DUMFRIES AND GALLOWAY REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCPas % of NCP y	1977 Craftsman/ Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/ Populat'n Ratio	% Change
												1976/77
Wigtown	1	29,716	0.570	10	0.84	1/2,972	29,749	0.574	9	0.79	1/3,305	x -0.003 y -0.03
Stewartry	2	22,508	0.433	24	2.02	1/938	22,407	0.433	25	2.21	1/896	x +0.002 y +0.03
Nithsdale	3	56,185	1.081	17	1.43	1/3,305	56,227	1.086	15	1.32	1/3,749	x +0.002 y -0.04
Annandale and Eskdale	4	35,025	0.674	9	0.76	1/3,892	35,086	0.677	11	0.97	1/3,190	x -0.001 y +0.07
				60					60			1977/78
				Base 58					Base 60		Wigtown	x +0.004 y -0.05
				+ 6 - 4					+ 8 - 8		Stewartry	x Nil y +0.19
											Nithsdale	x +0.005 y -0.11
											Annandale/ Eskdale	x +0.003 y +0.21

Table C36

ORKNEY REGION

District	No	1975 District Home Populat'n	1975 DHP as % of NHP x	1975 Dist. Craft Pop'n	1975 DCPas % of NCP y	1975 Craftsman/ Populat'n Ratio	1976 District Home Populat'n	1976 DHP as % of NHP x	1976 Dist. Craft Pop'n	1976 DCP as % of NCP y	1976 Craftsman/ Populat'n Ratio	% Change
												1975/76
Orkney 11	-	17,675	0.339	24	2.24	1/736	17,748	0.341	33	2.85	1/538	x +0.002 y +0.61
									Base 24 + 10 - 1			

Table C37

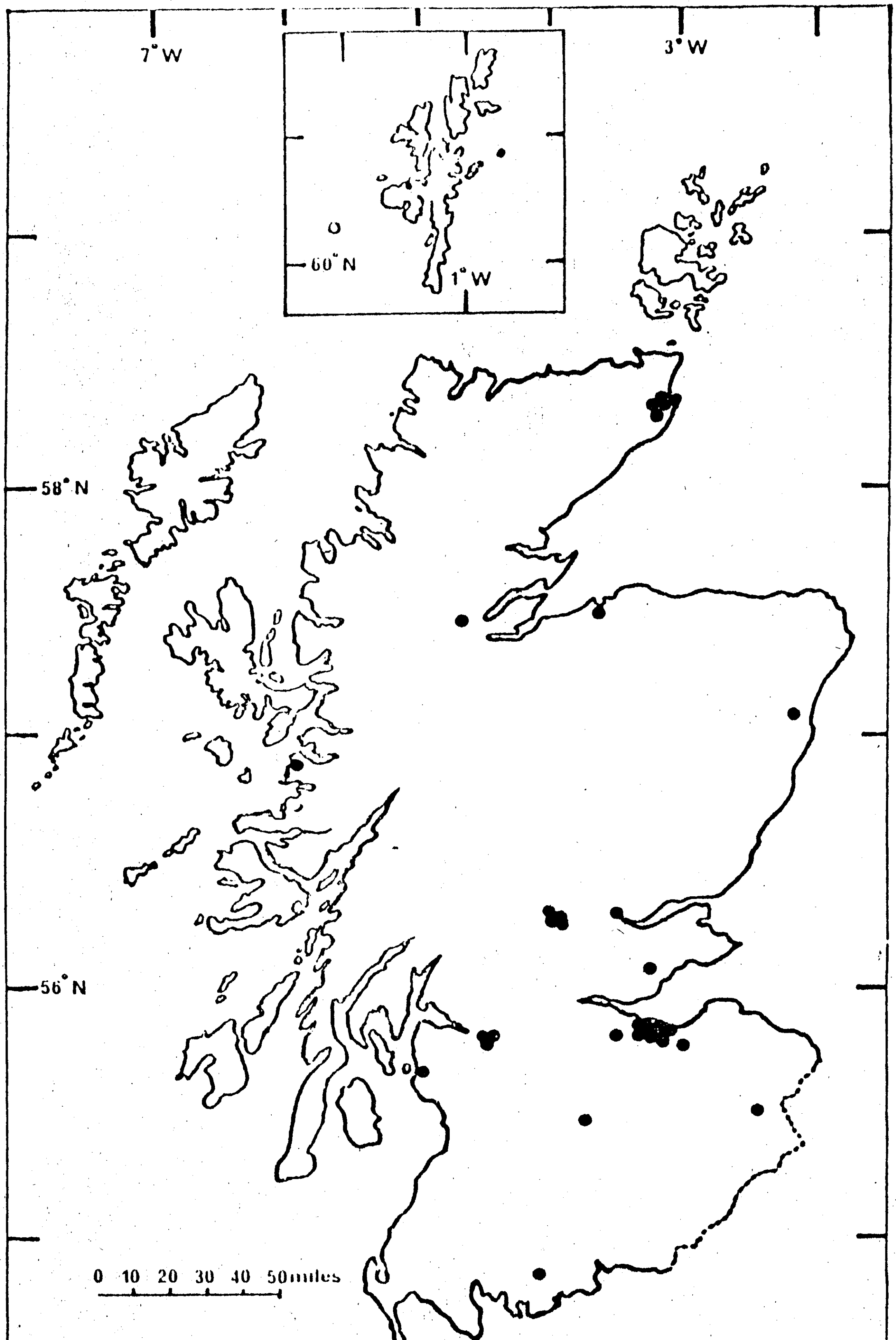
ORKNEY REGION

District	No	1977 District Home Populat'n	1977 DHP as % of NHP x	1977 Dist. Craft Pop'n	1977 DCP as % of NCP y	1977 Craftsman/Populat'n Ratio	1978 District Home Populat'n	1978 DHP as % of NHP x	1978 Dist. Craft Pop'n	1978 DCP as % of NCP y	1978 Craftsman/Populat'n Ratio	% Change
												1976/77
Orkney	-	18,014	0.347	30	2.53	1/600	18,197	0.351	30	2.65	1/607	x +0.006
												y -0.32
				Base					Base			
				33					30			
				+ 1					+ 2			
				- 4					- 2			
												1977/78
												x +0.004
												y +0.12

Appendix C

Group 1 : Glass

Figure C 1

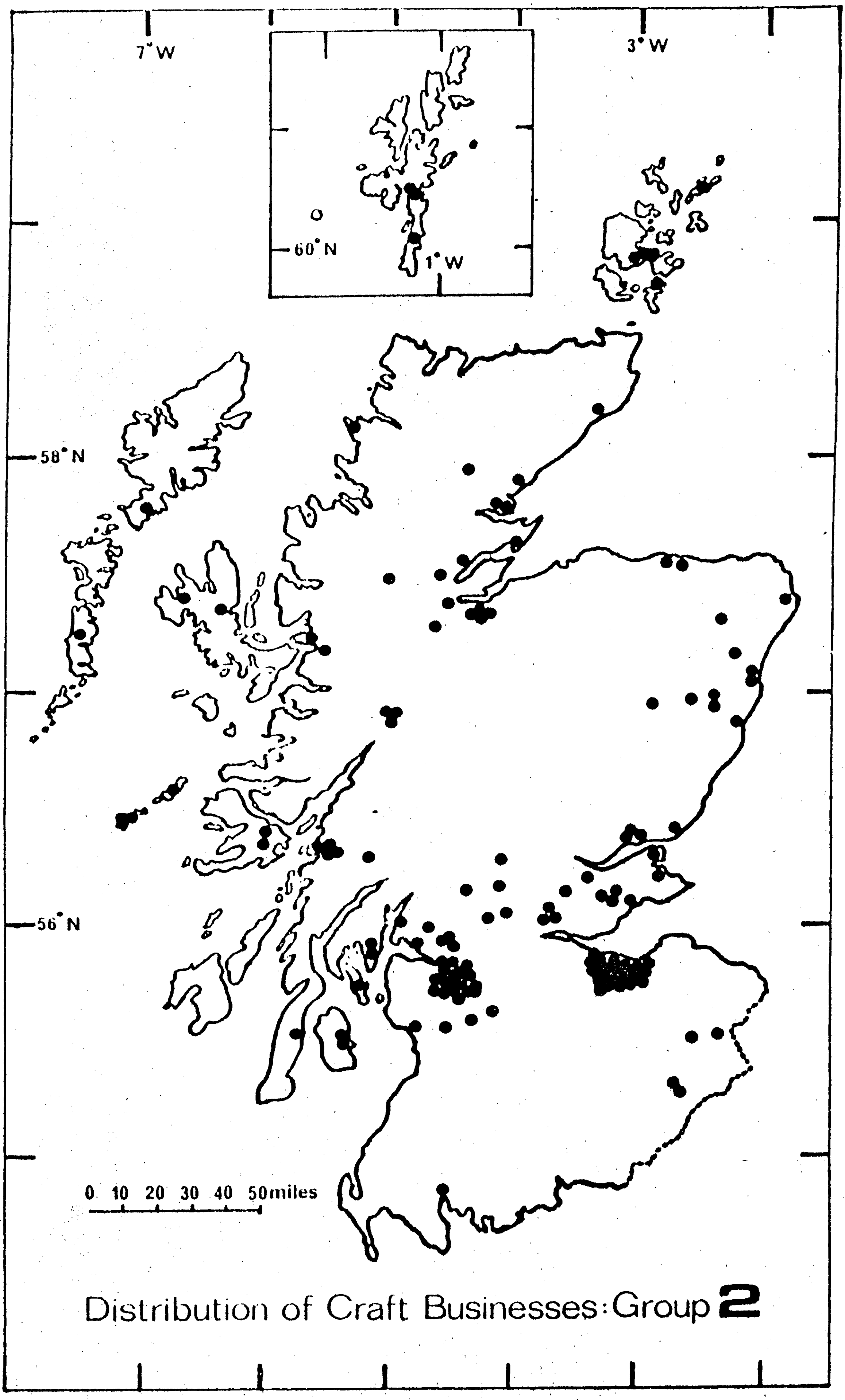


Distribution of Craft Businesses: Group 1

Appendix C

Group 2 : Silversmithing and Jewellery

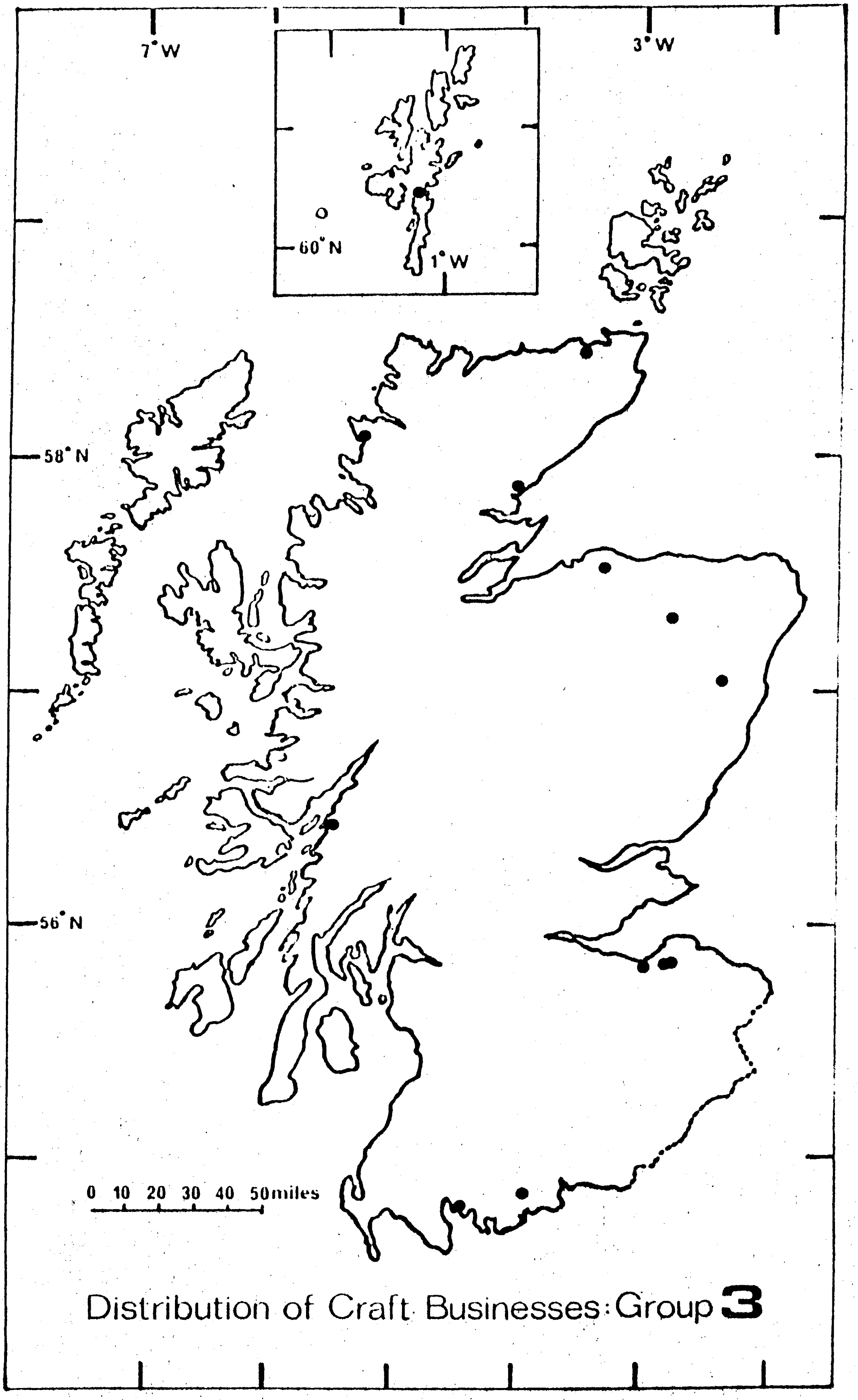
Figure C 2



Distribution of Craft Businesses: Group 2

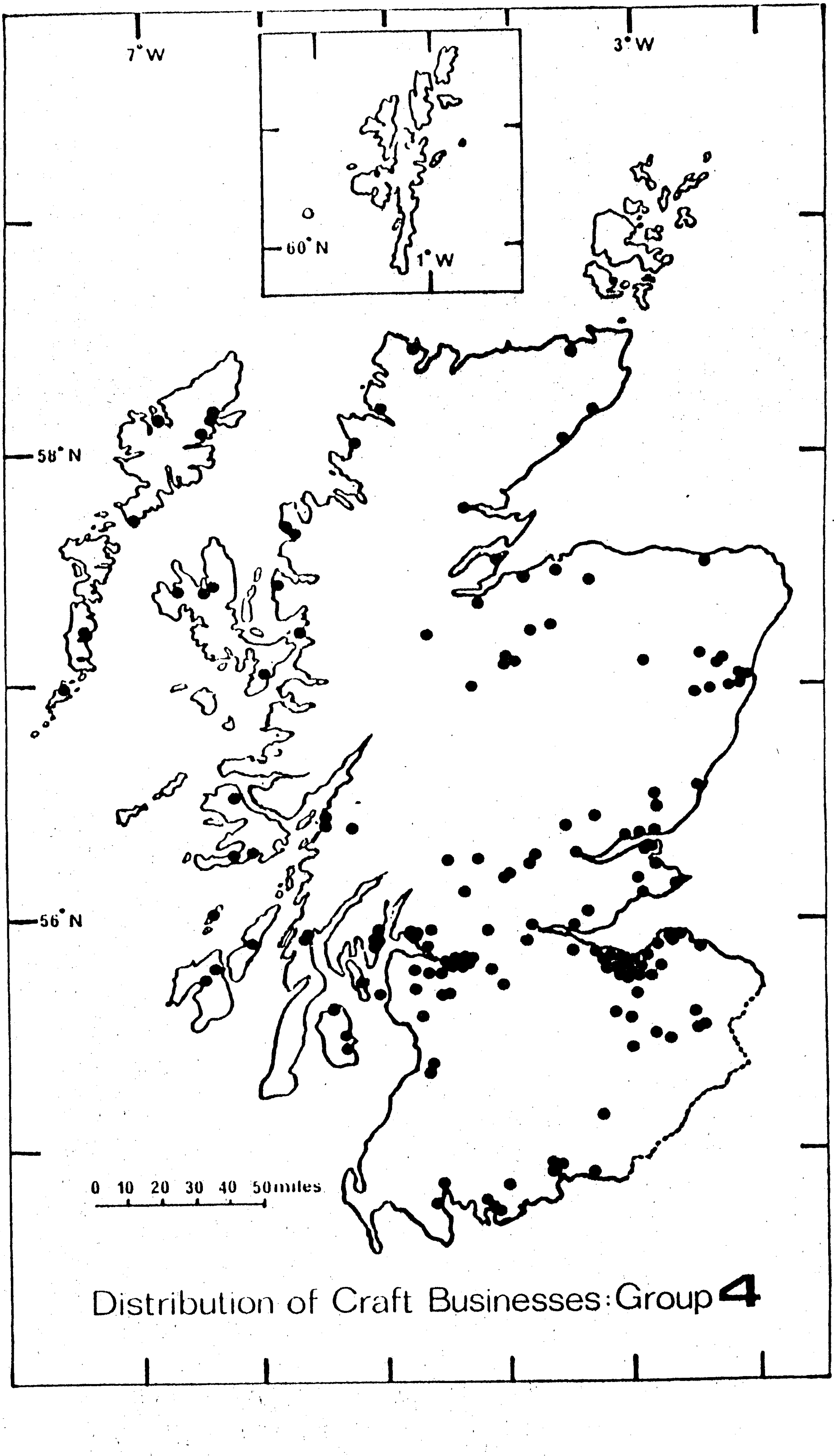
Group 3 : Lapidary

Figure C 3



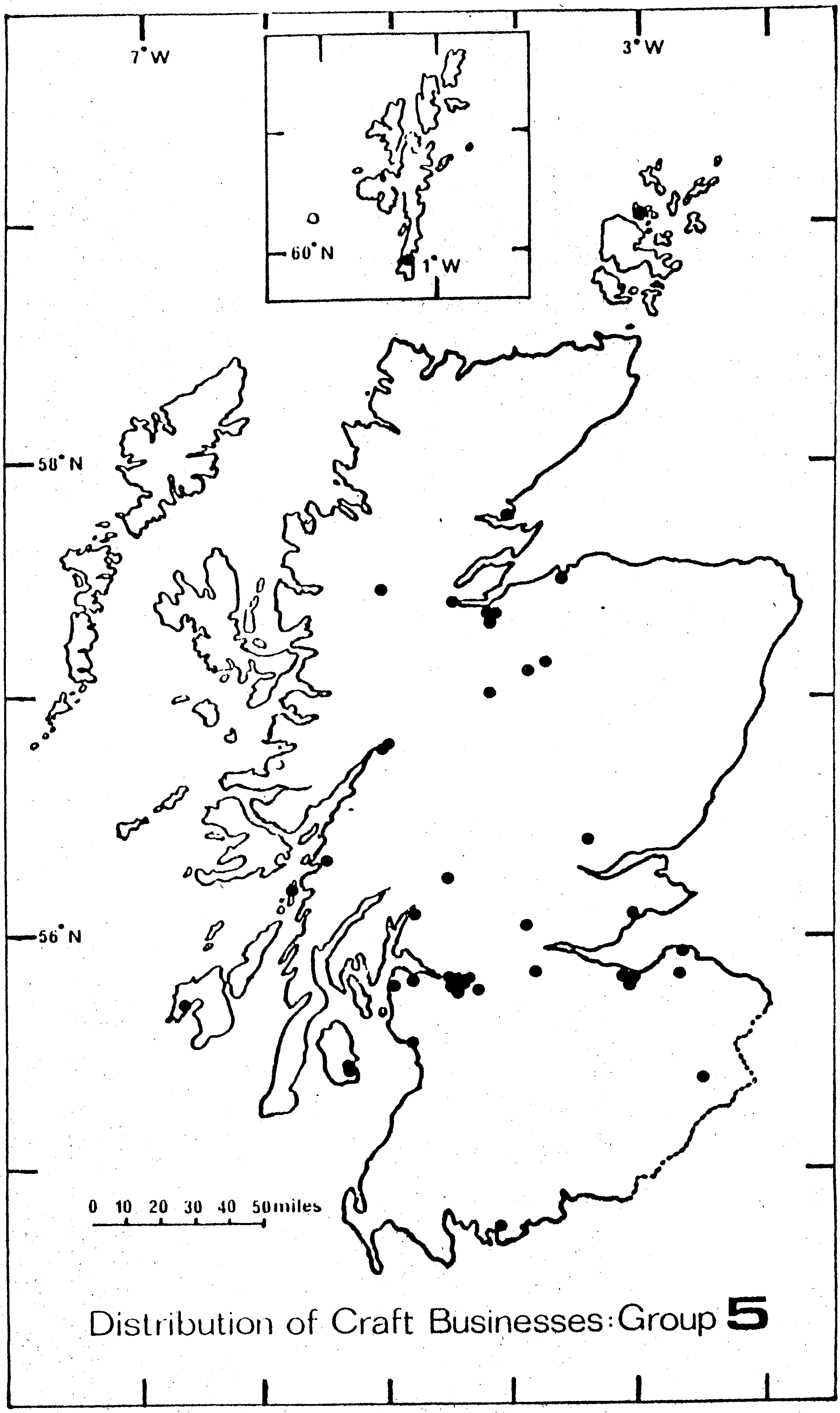
Group 4 : Ceramics

Figure C 4



Group 5 : Graphic

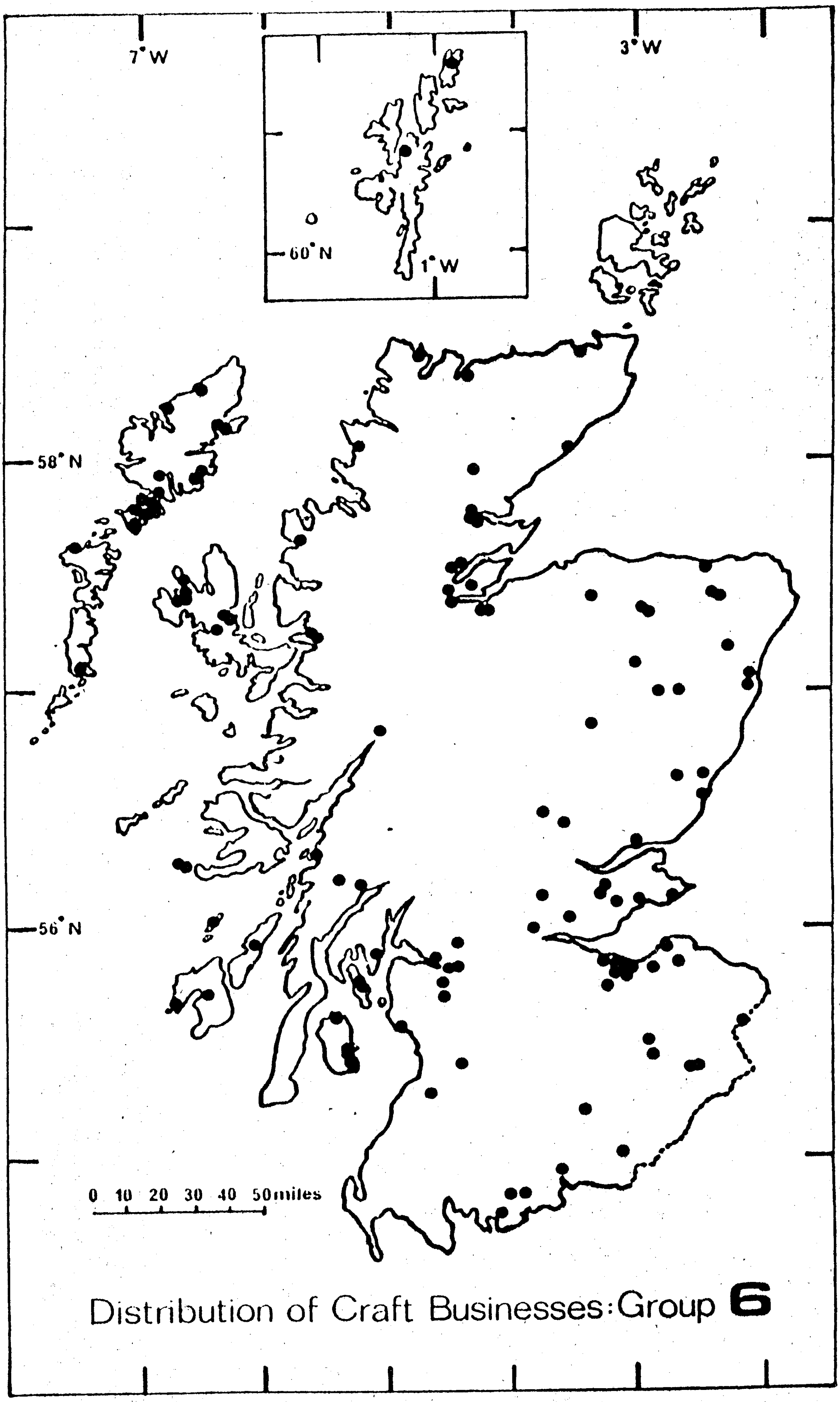
Figure C 5

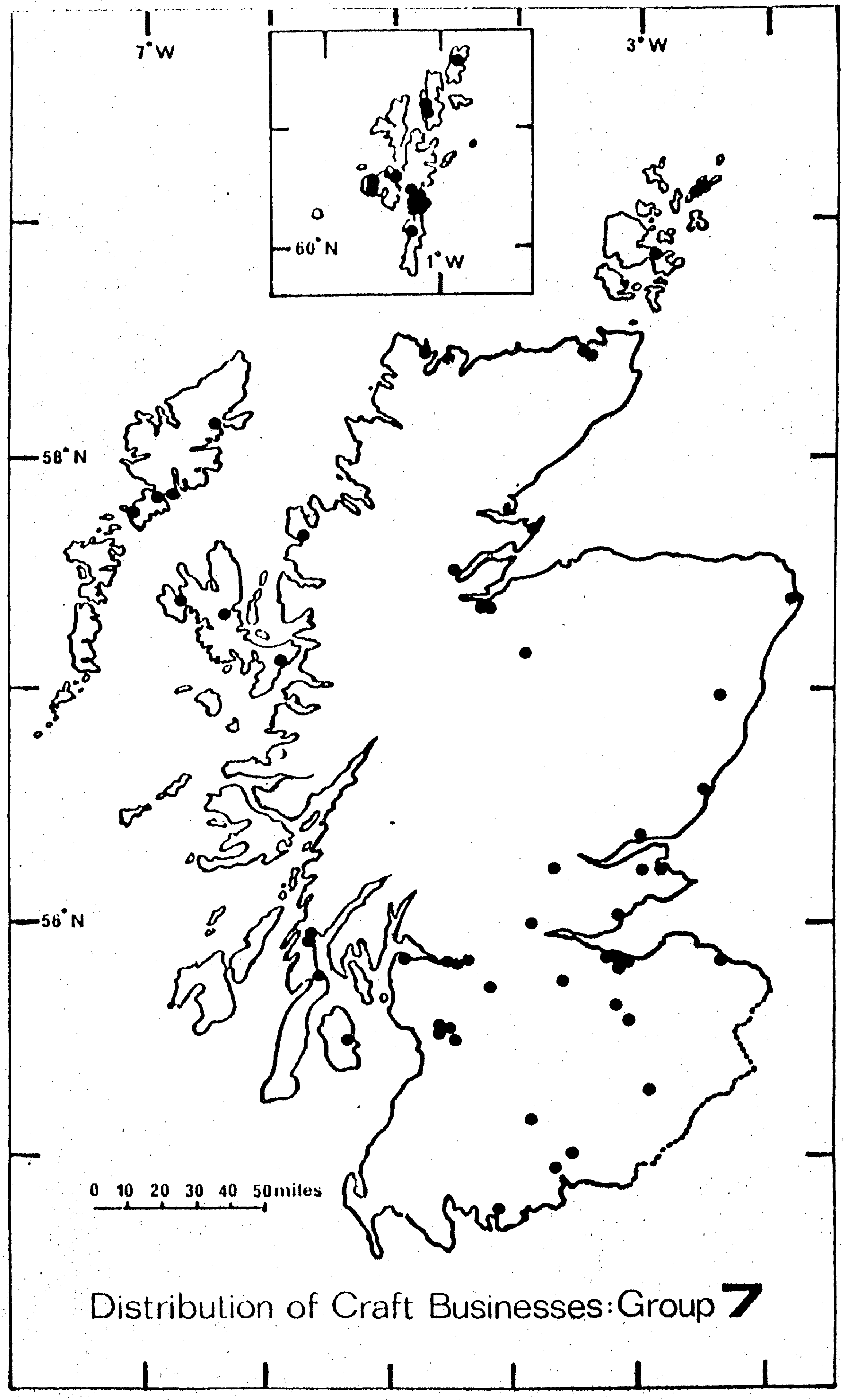


Distribution of Craft Businesses: Group 5

Group 6 : Weaving

Figure C 6

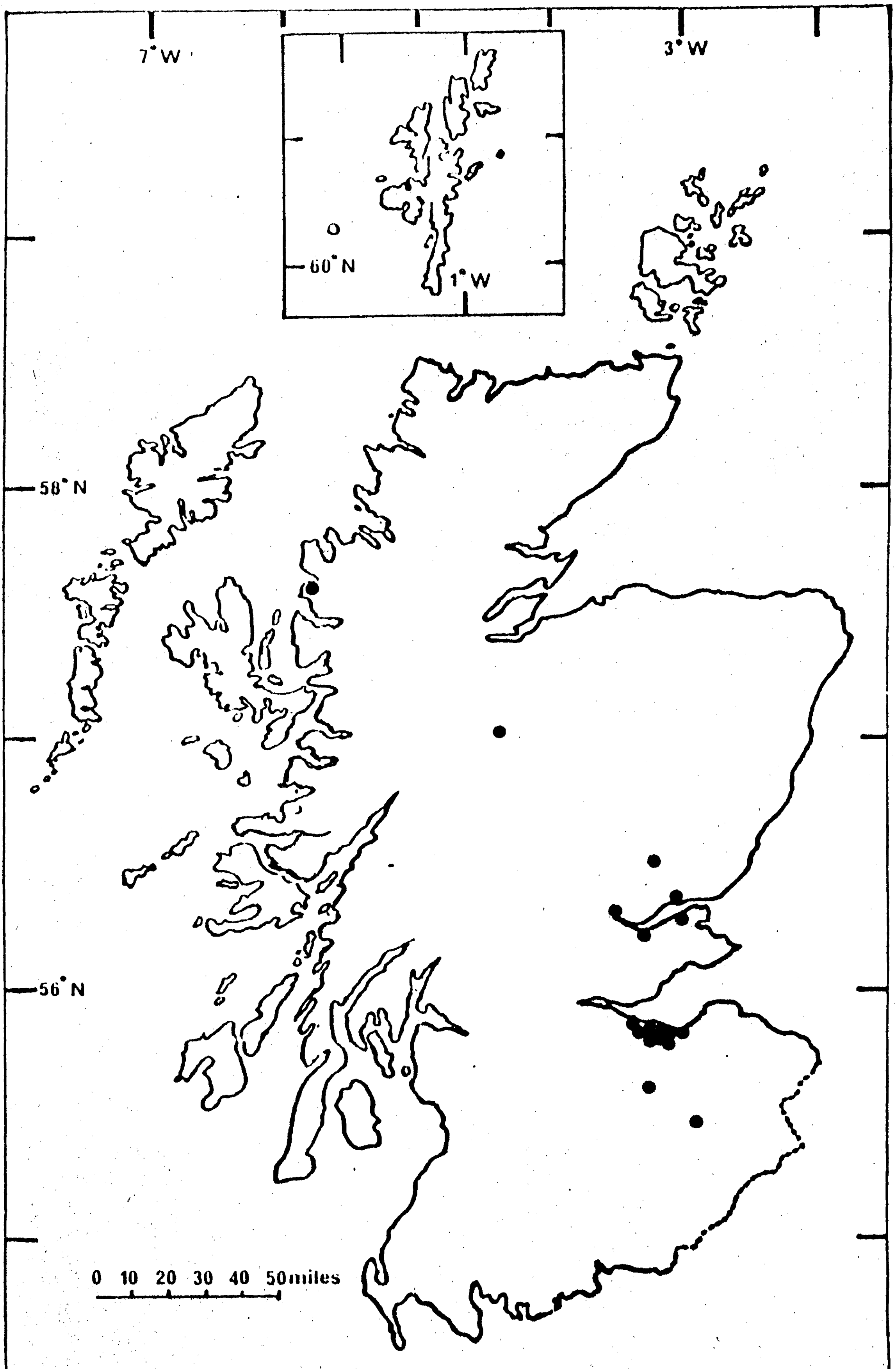




Distribution of Craft Businesses: Group 7

Group 8 : Tapestry

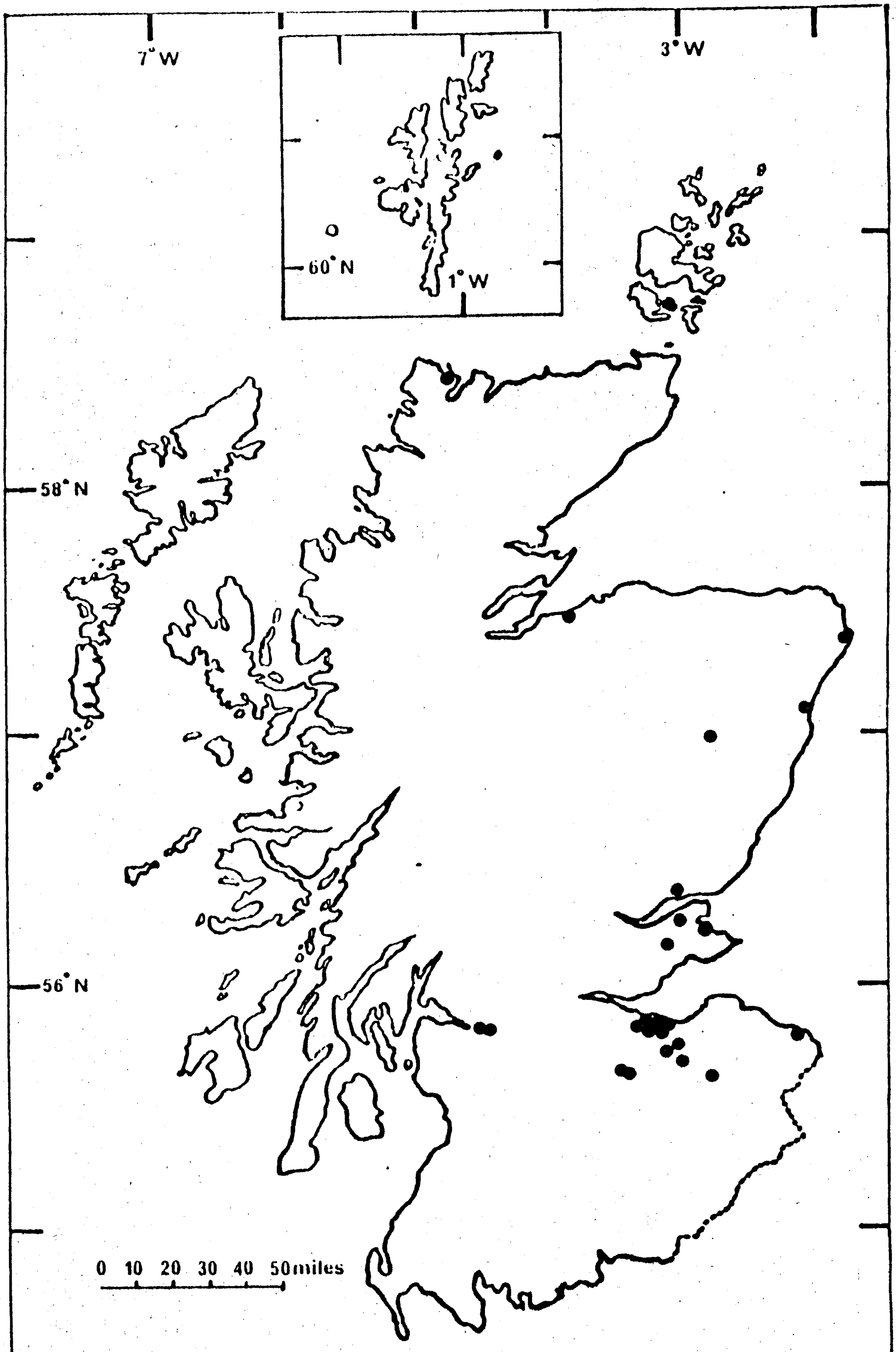
Figure C 8



Distribution of Craft Businesses: Group 8

Group 9 : Textile

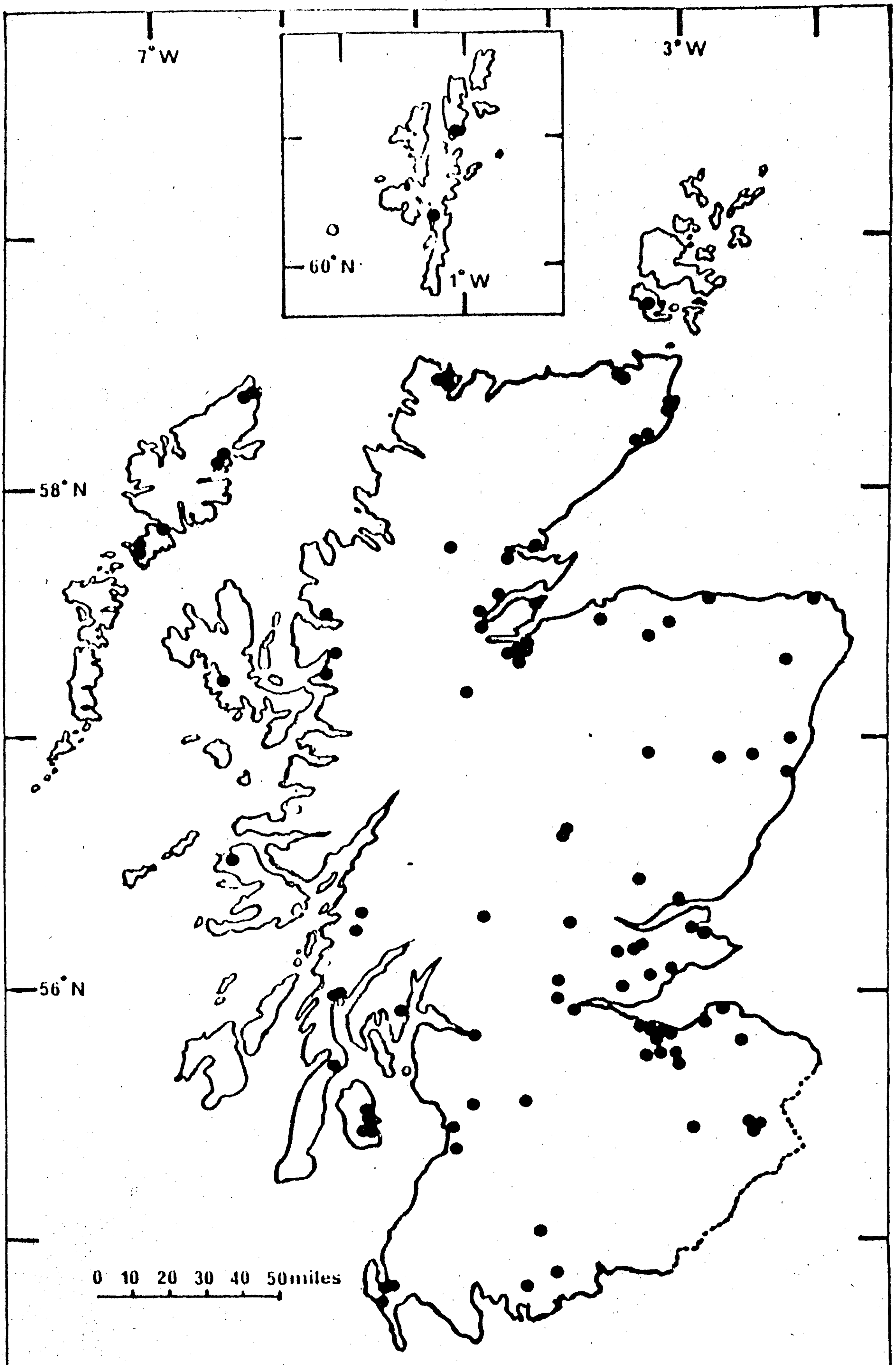
Figure C 9



Distribution of Craft Businesses: Group 9

Group 10 : Woodwork

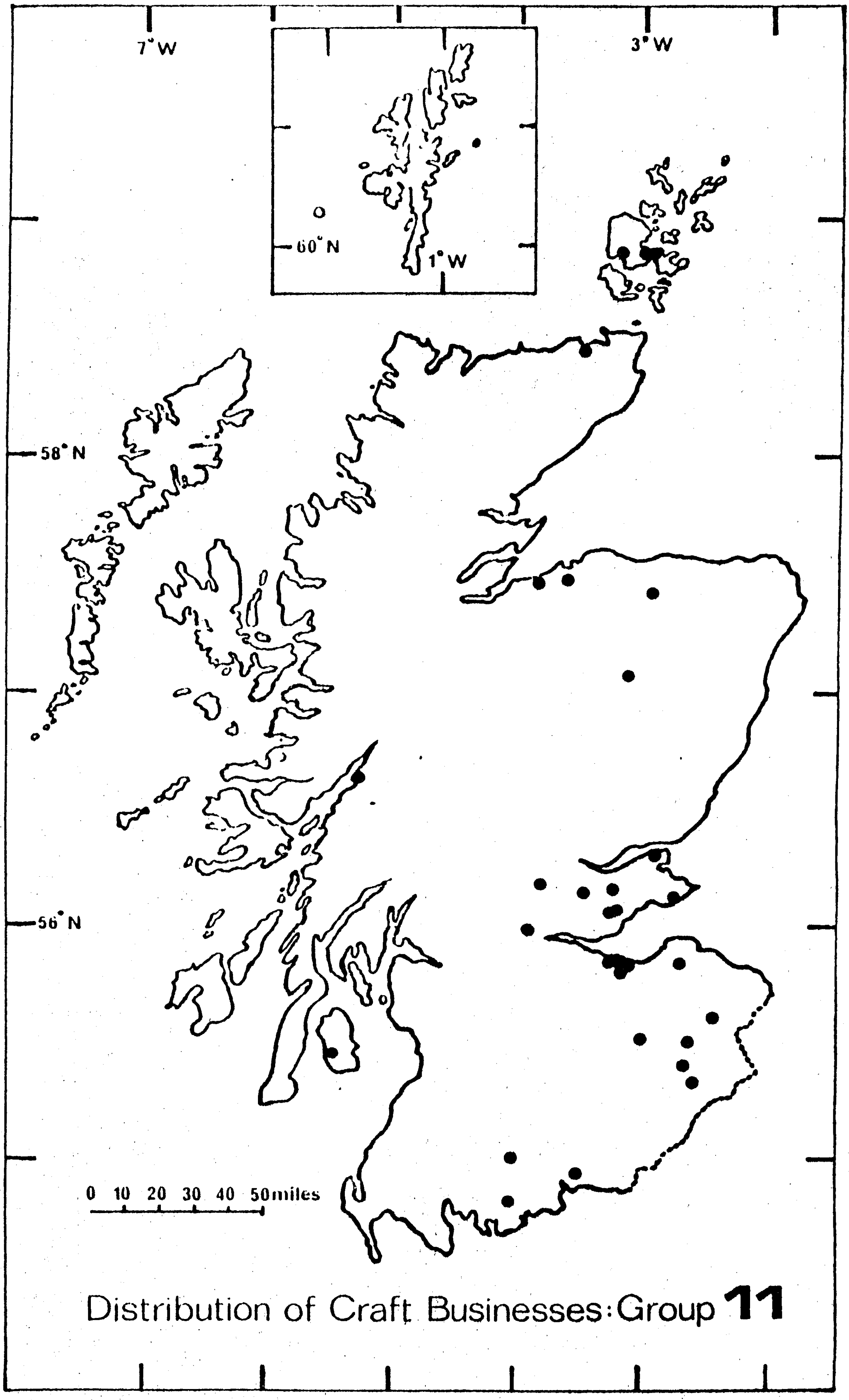
Figure C10



Distribution of Craft Businesses: Group 10

Group 11 : Furniture

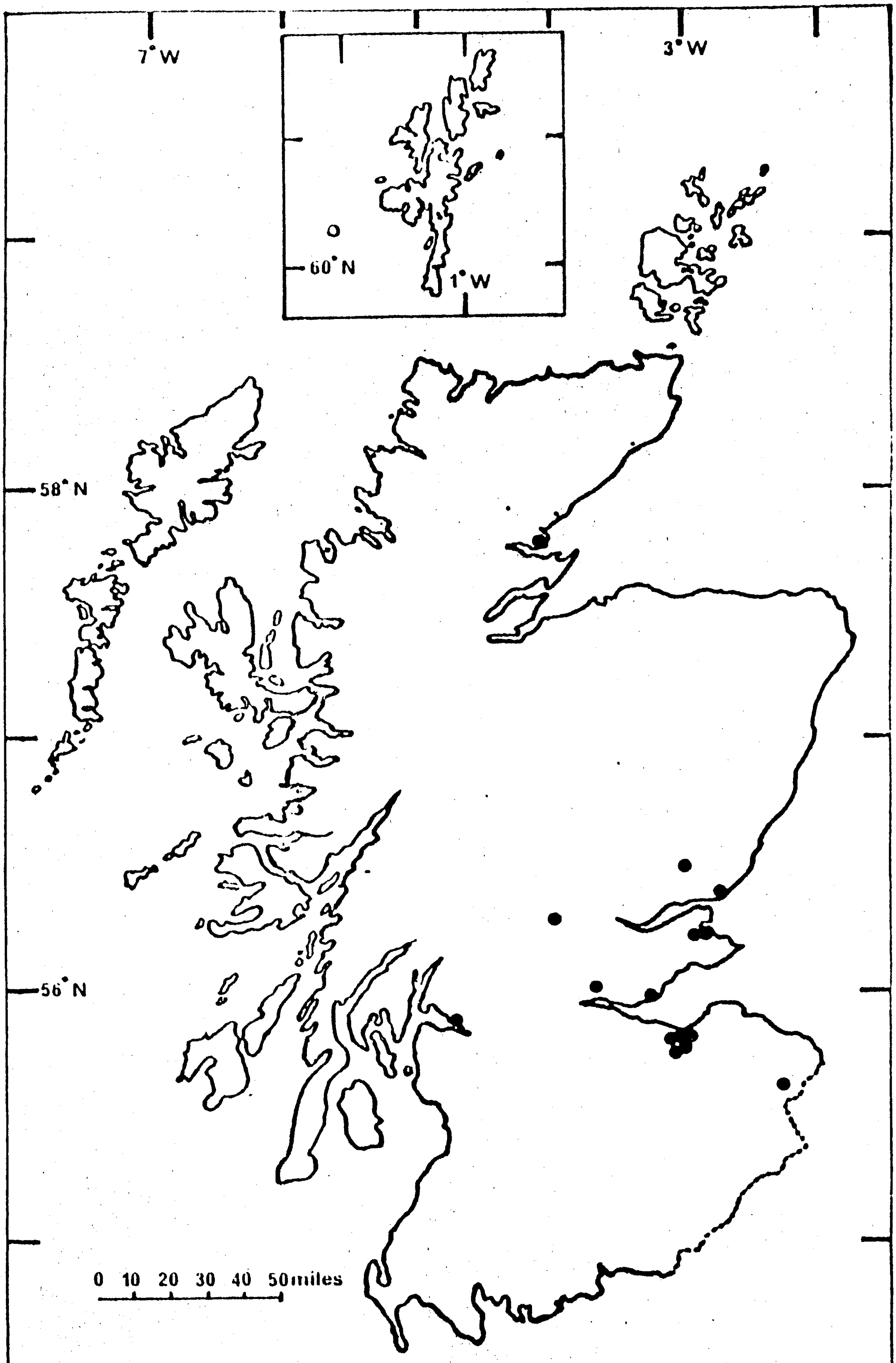
Figure C11



Distribution of Craft Businesses: Group 11

Group 12 : Musical Instruments

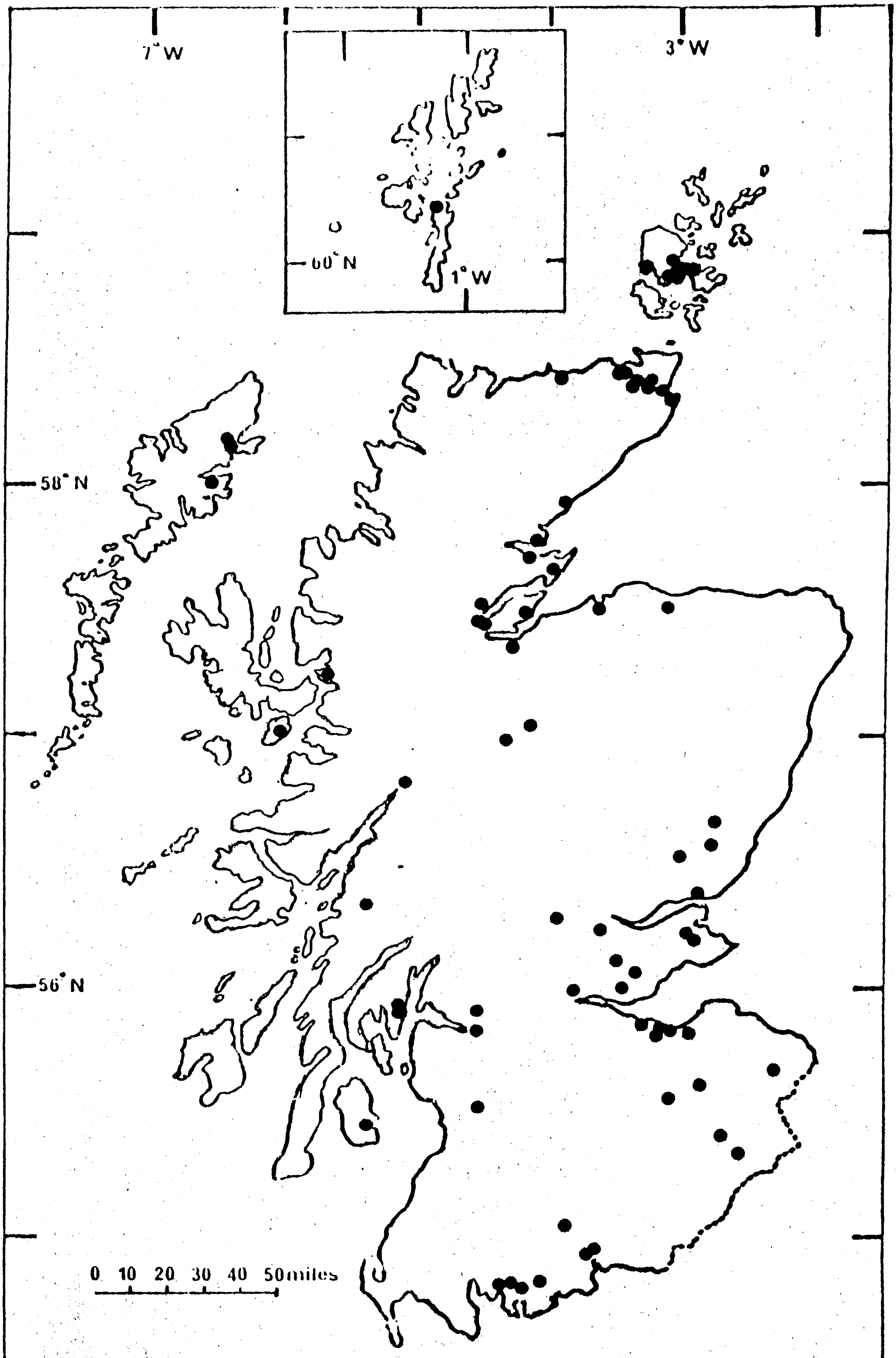
Figure C12



Distribution of Craft Businesses: Group 12

Group 13 : Wrought Iron

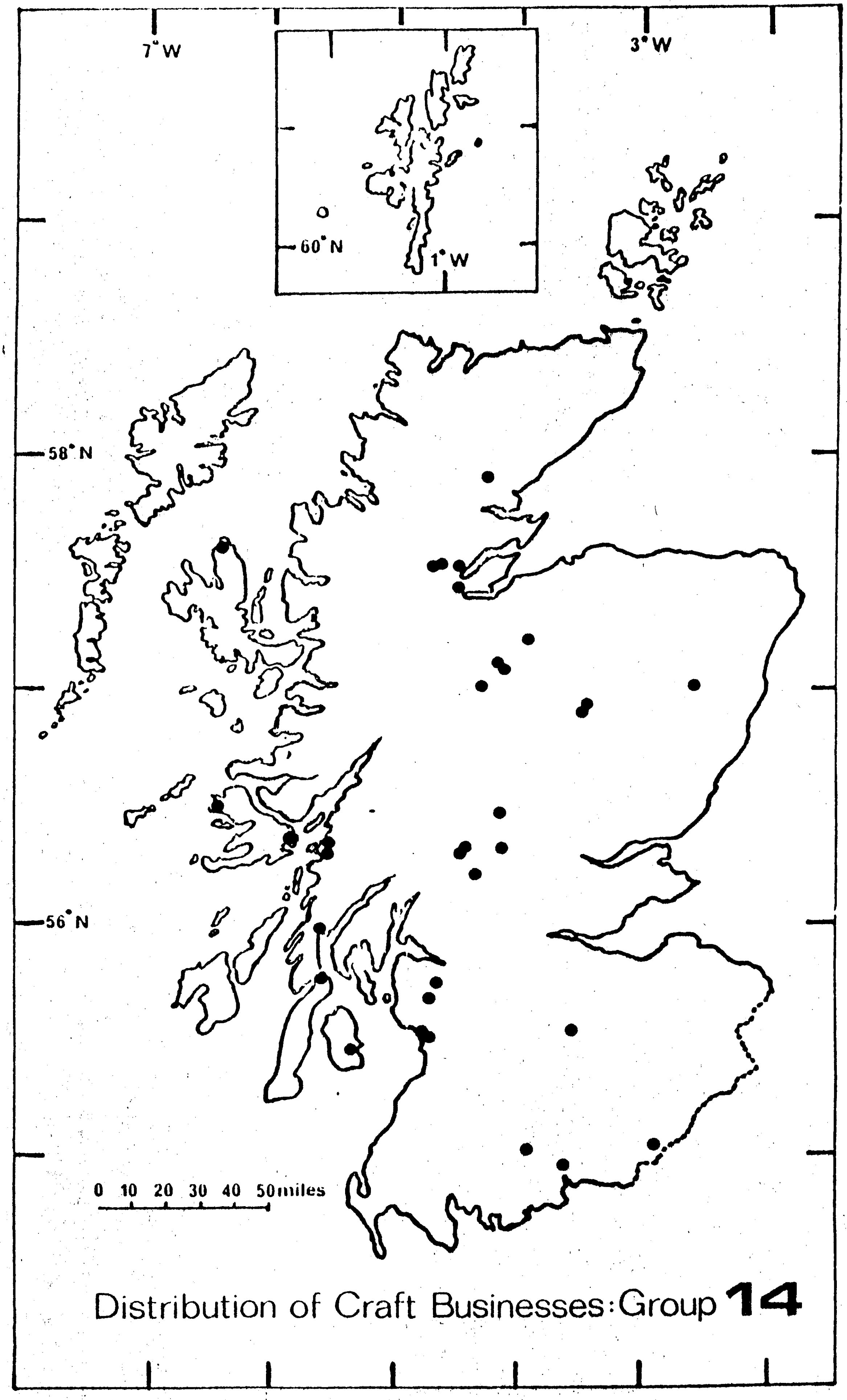
Figure C13



Distribution of Craft Businesses: Group 13

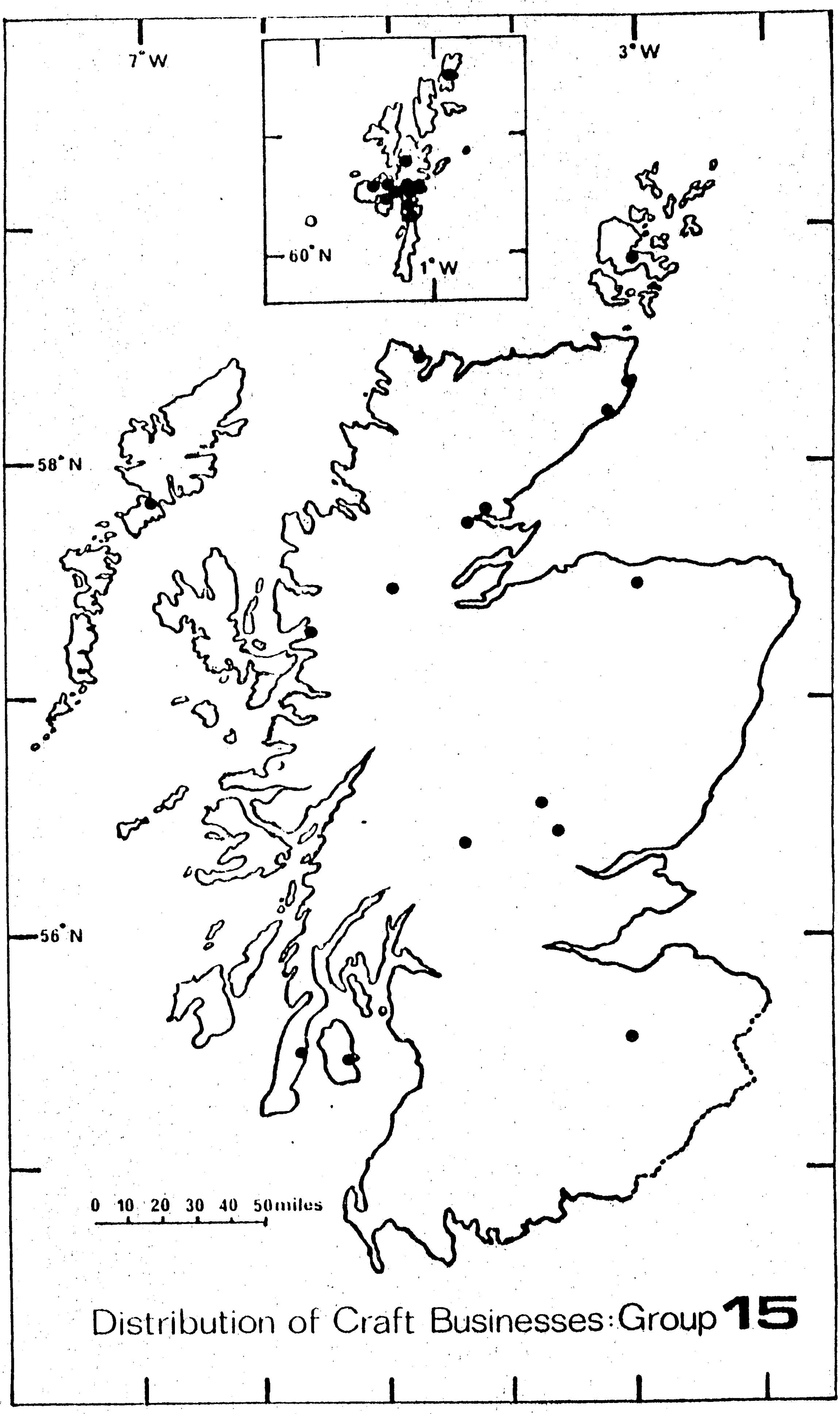
Group 14 : Hornwork and Crooks

Figure C14



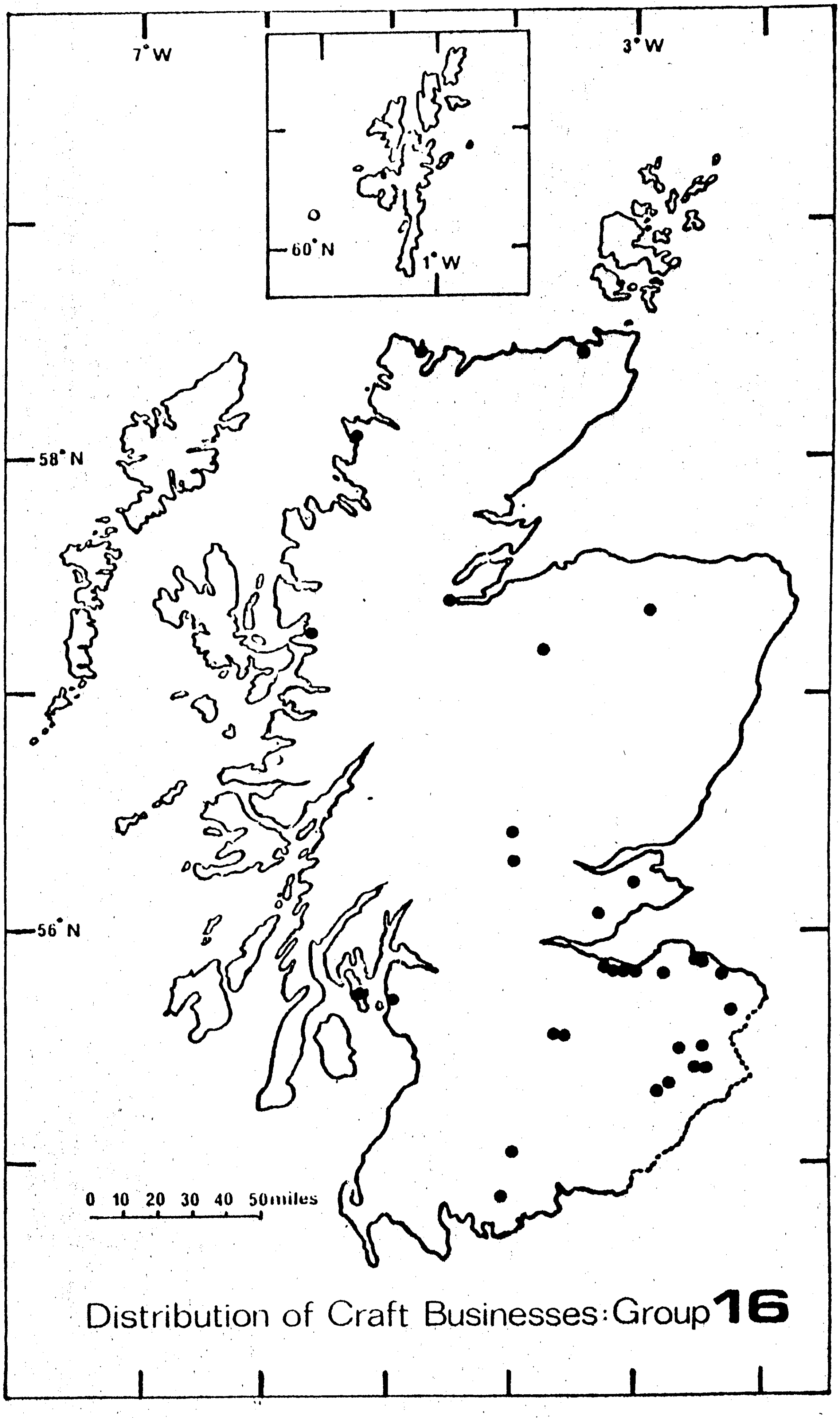
Group 15 : Skins

Figure C15



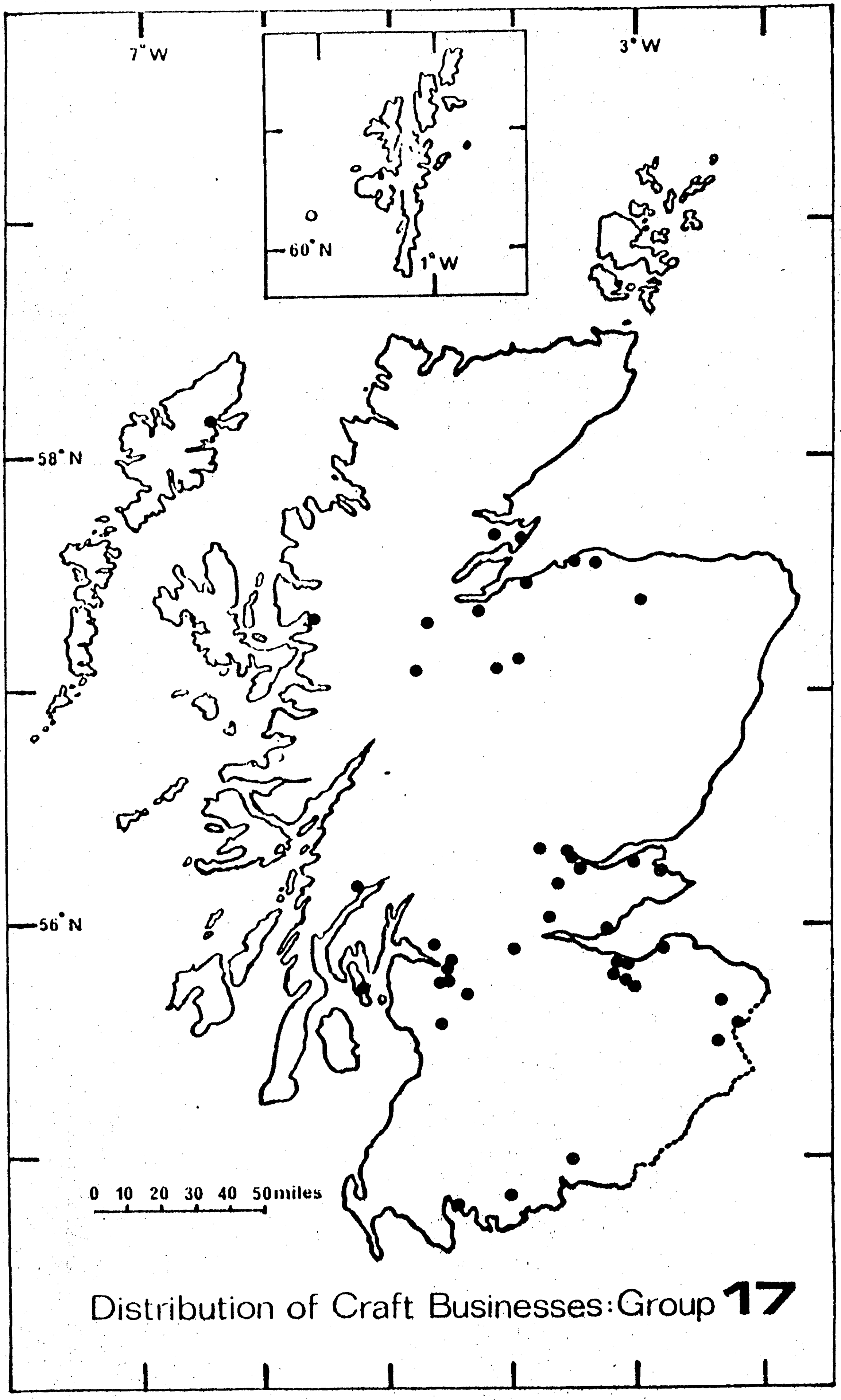
Group 16 : Leather

Figure C16



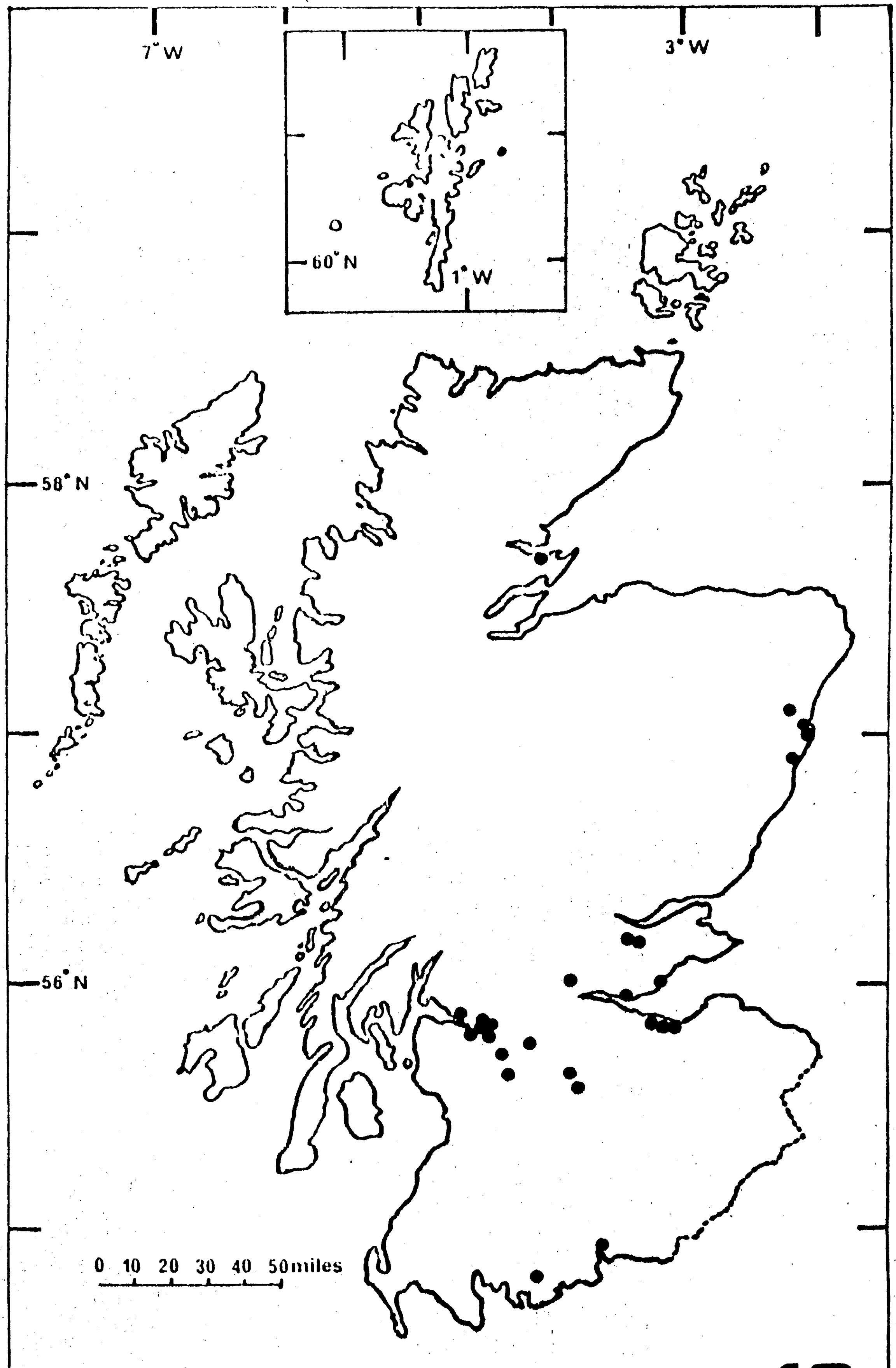
Group 17 : Soft Toys and Dolls

Figure C17



Group 18 : Embroidery

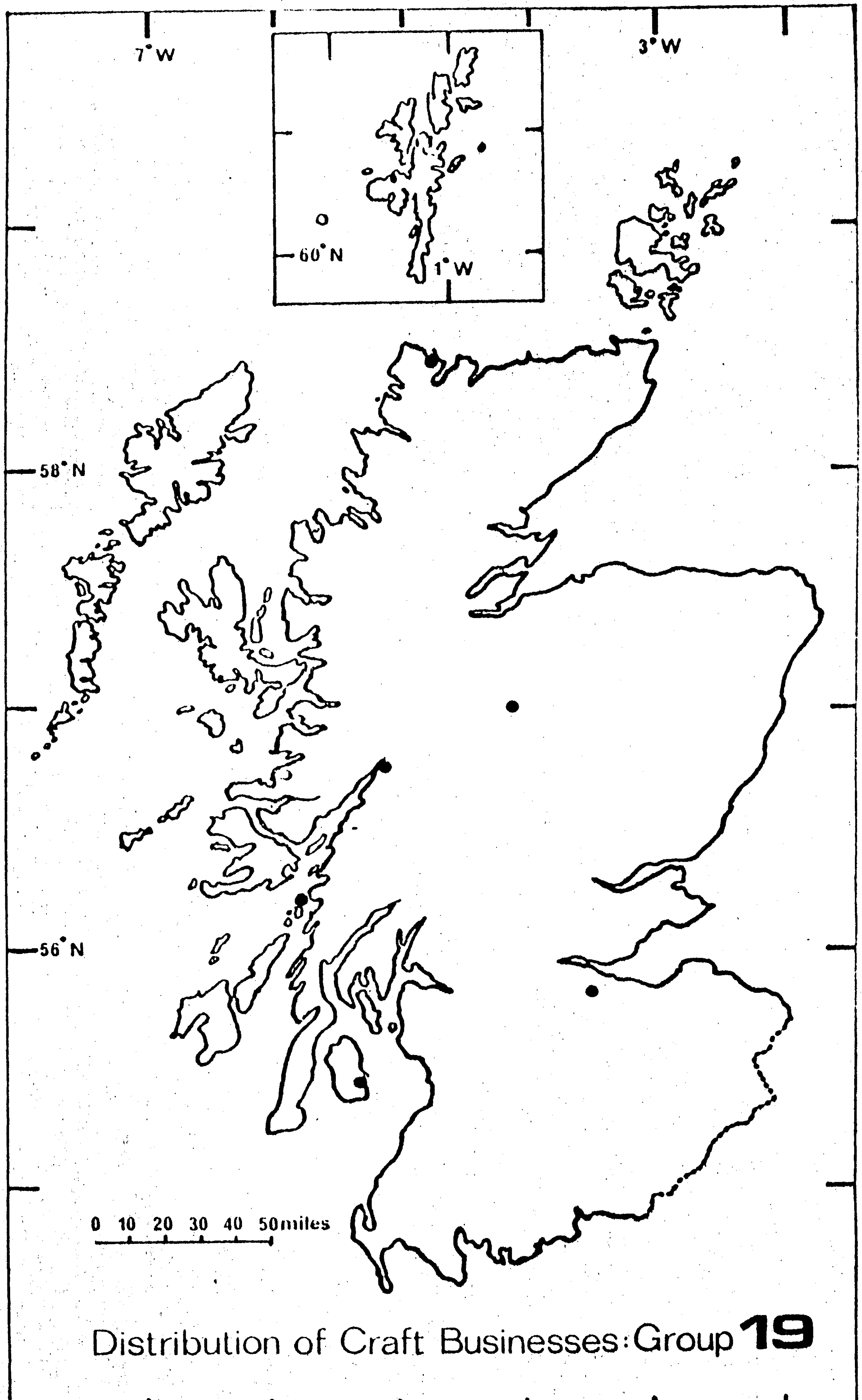
Figure C18



Distribution of Craft Businesses: Group 18

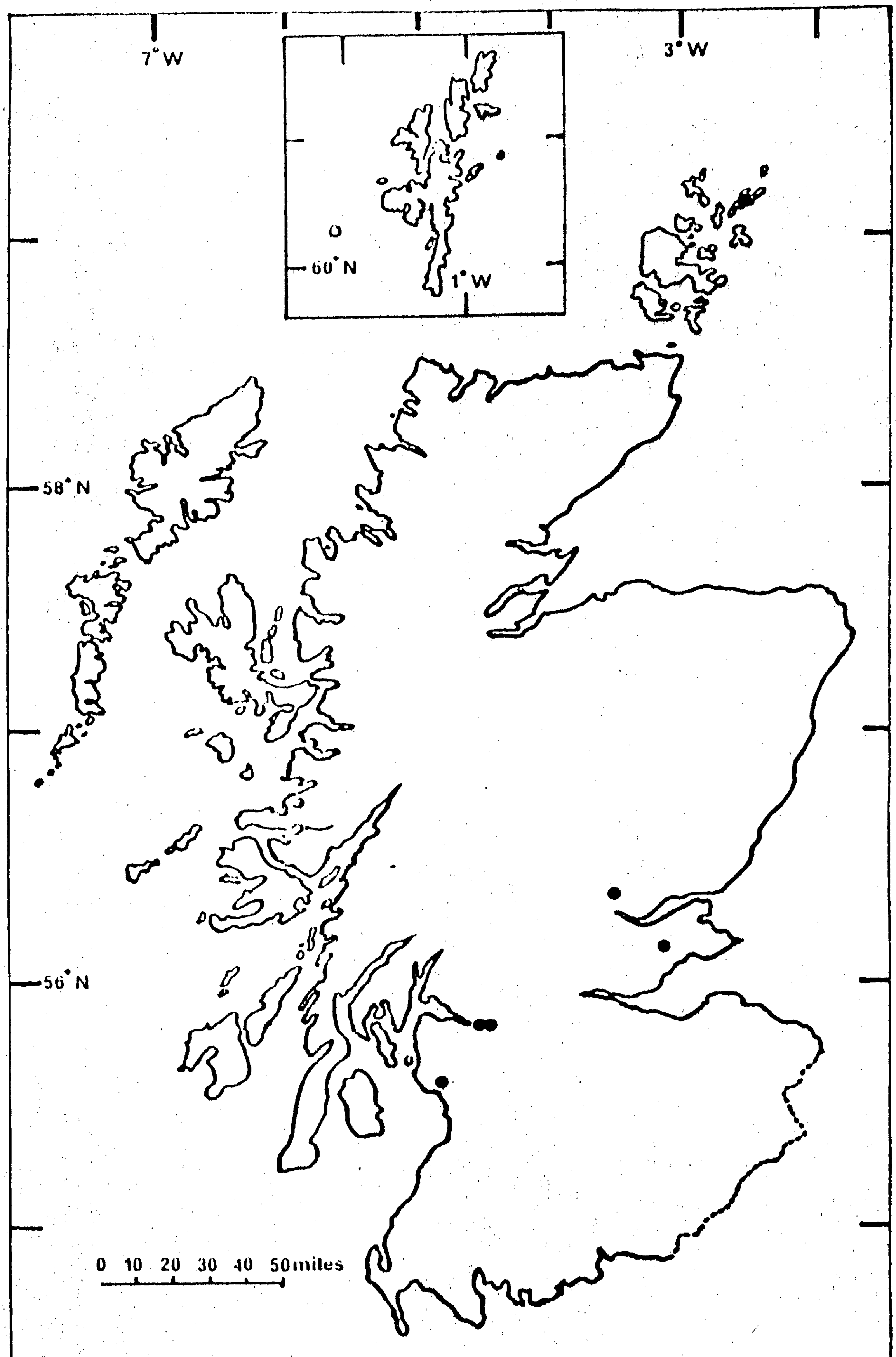
Group 19 : Candles

Figure C19



Group 20 : Plastic

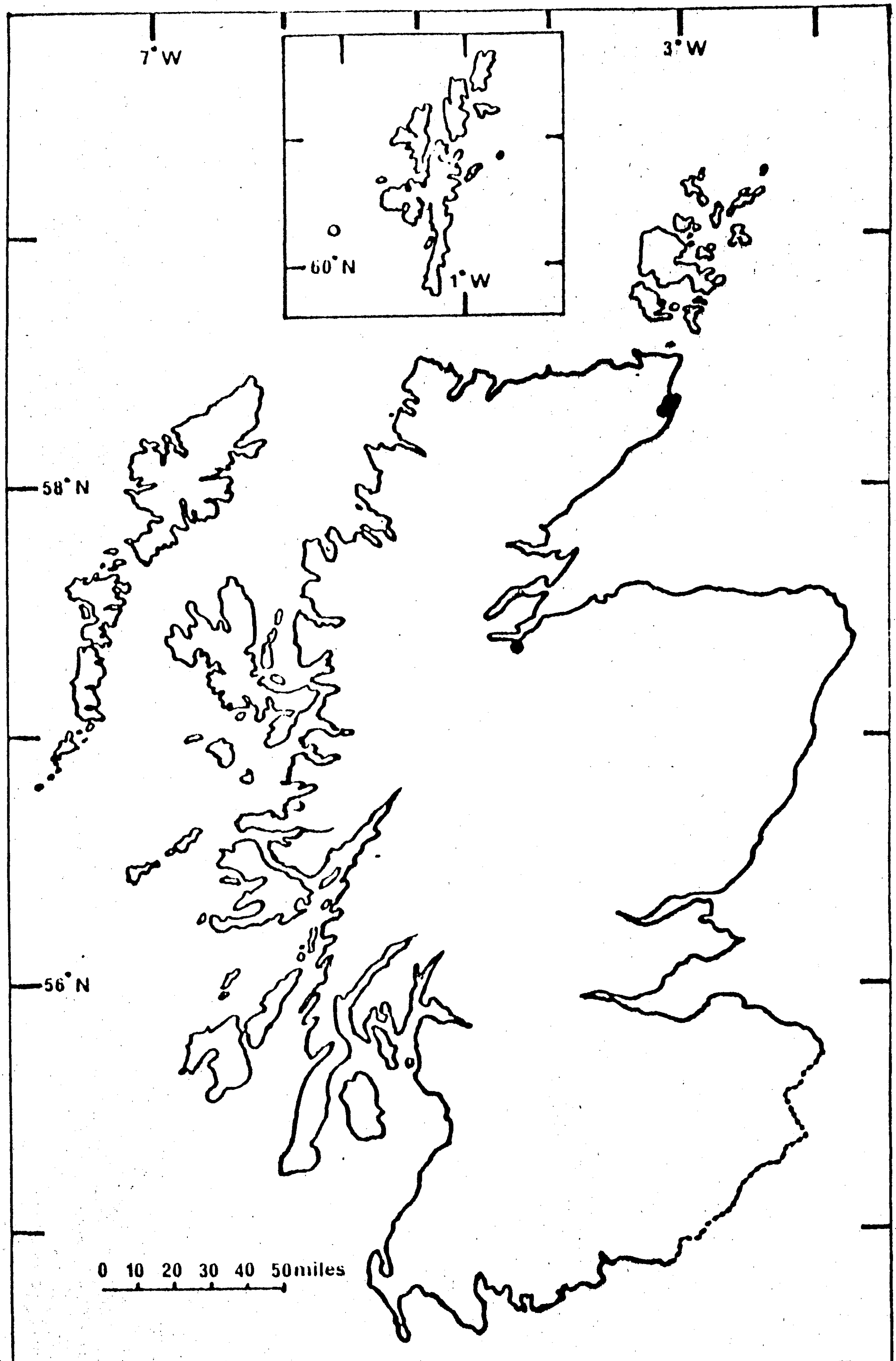
Figure C20



Distribution of Craft Businesses: Group 20

Group 21 : Shellcraft

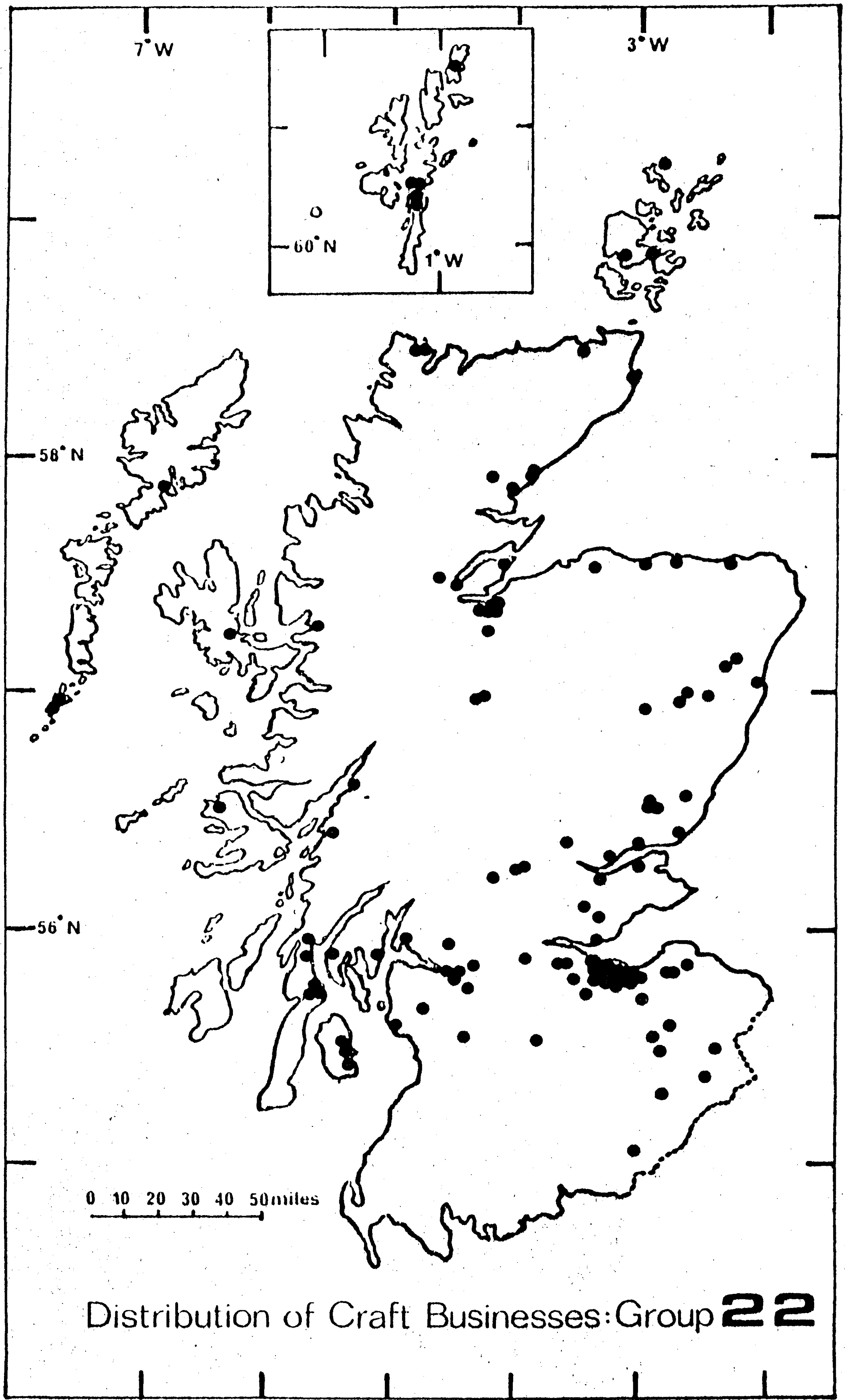
Figure C21



Distribution of Craft Businesses: Group 21

Group 22 : Miscellaneous

Figure C22



Notes on Tables C38 to C43

Examples

Column 1 : Craftsman to population ratio.
From Table C22 - (1975) - Sutherland
District Home Population - 11,877
Craft Business Population - 40
Craftman to population ratio - 1: 297

Column 2 : District Home Population - 11,877 - Sutherland
Area (acres) - 1,108,783
Population/Area Density - 1: 93.5 acre

Sources : Population - 'Annual Estimates of the Population of Scotland' 1975/76/77/78, published by HMSO

** Area - 'Directory of Official Architecture and Planning 1977', published by George Godwin Ltd.

** A number of obvious errors were found in the text and adjustments have been made as follows :-

Caithness : Quoted in the text as 4,756,665 acres. As Caithness is certainly not 4x the area of Sutherland the figure of 778,971 acres was deduced by subtracting the other districts from the total given for the Region.

Dundee City : Quoted in the text as 502,372 acres. Similarly, Dundee City is not the same area as Angus and by deduction the figure of 58,081 acres was substituted.

Inverclyde : Quoted in the text as 105,801 acres. As this figure is identical to the population of that district for 1976 and as the text quoted the population as 38,991 it has been assumed that the figures have been reversed in error.

Table C38 Year 1975

Table for the calculation of the coefficient of rank correlation

District	Craftsman/ D.H.Populat'n ratio x	D.H.Popu'n/ Density ratio y	Rank x	Rank y	d	d^2
Sutherland	297	93.4	1	56	55	3025
Skye & Loch/h	345	63.4	2	55	53	2809
Badenoch & S/y	426	61.1	3	54	51	2601
Shetland	487	46.1	4	52	48	2304
Western Isles	689	24.2	5	48	43	1849
Orkney	707	13.6	6	43	37	1369
Argyll & Bute	818	25.8	8	49	41	1681
Ross & Cromarty	933	31.5	9	51	42	1764
Caithness	800	26.3	7	50	43	1849
Stewartry	1,117	18.5	10	47	37	1369
Tweeddale	1,542	16.1	15	45	30	900
Roxburgh	1,328	10.6	12	37	25	625
Inverness	1,611	13.0	16	42	26	676
Berwickshire	1,251	5.3	11	30	19	361
Kincardine & D/	1,440	18.2	13	46	33	1089
Lochaber	1,525	55.7	14	53	39	1521
Nairn	2,326	11.2	18	40	22	484
N.E.Fife	1,804	2.88	17	26	9	81
Ettrick & L/e	2,680	10.4	20	36	16	256
Perth & K/s	2,484	10.9	19	38	19	361
Stirling	2,817	6.79	21	34	13	169
Wigtown	3,754	14.1	26	44	18	324
Gordon	3,196	11.4	23	41	18	324
Nithsdale	3,302	6.3	24	33	9	81
Cunninghame	3,457	1.7	25	24	1	1
E. Lothian	3,033	2.2	22	25	3	9
Moray	4,030	6.840	27	35	8	64
Annandale & E/e	5,021	11.018	30	39	9	81
Edinburgh C.	4,846	0.139	29	2	27	729
Midlothian	4,412	1.055	28	21	7	49
Angus	5,505	5.703	31	31	0	0
Banff & Buchan	5,795	5.007	32	29	3	9
Dumbarton	7,282	1.472	34	23	11	121
E.Kilbride	6,775	0.843	33	18	15	225
Lanark	7,860	5.951	35	32	7	49
Clackmannan	9,522	0.807	37	17	20	400
Eastwood	12,643	0.565	40	15	25	625
Kirkcaldy	9,242	0.415	36	12	24	576
Kilmarnock &..	11,187	1.125	38	22	16	256
Bearsden &..	12,524	0.237	39	5	34	1156
W. Lothian	17,318	0.853	46	19	27	729
Dundee C.	14,979	0.298	42	8	34	1156
Aberdeen C.	15,026	0.217	43	4	39	1521
Hamilton	15,254	0.304	44	9	35	1225
Dunfermline	15,439	0.602	45	16	29	841
Strathkelvin	13,392	0.983	41	20	21	441
Kyle & Car/k	22,263	2.918	47	27	20	400
Renfrew	23,207	0.365	48	10	38	1444
Cumnock & D/n	24,300	4.110	49	28	21	441
Glasgow C.	27,519	0.055	50	1	49	2401
Falkirk	47,593	0.423	51	13	38	1444
Cumbernauld	54,063	0.433	52	14	38	1444
Inverclyde	105,801	0.369	53	11	42	1764
Clydebank	56,529	0.156	54	3	51	2601
Monklands	108,689	0.294	55	7	48	2304
Motherwell	159,640	0.275	56	6	50	2500
						Σd^2 54,878

Appendix C

Table C39						Year 1976
Table for the calculation of the coefficient of rank correlation						
District	Craftsman/ D.H. Popul'n ratio x	D.H. Popul'n/ Density ratio y	Rank x	Rank y	d	d^2
Sutherland	248	95.305	1	56	55	3025
Skye & Loch/h	337	62.736	2	55	53	2809
Badenoch & S/y	387	61.640	3	54	51	2601
Shetland	441	44.912	4	52	48	2304
Western Isles	487	24.114	5	48	43	1849
Orkney	522	13.586	6	43	37	1369
Argyll & Bute	781	25.445	7	47	42	1764
Ross & Cromarty	793	29.394	8	51	43	1849
Caithness	866	26.458	9	50	41	1681
Stewartry	975	18.416	10	47	37	1369
Tweeddale	1,080	15.960	11	45	34	1156
Roxburgh	1,150	10.676	12	37	25	625
Inverness	1,412	12.571	13	42	29	841
Berwickshire	1,477	5.234	14	30	16	256
Kincardine & D/	1,484	17.680	15	46	31	961
Lochaber	1,508	56.325	16	53	37	1369
Nairn	1,927	10.824	17	39	22	484
N.E.Fife	1,975	2.872	18	26	8	64
Ettrick & L/e	2,031	10.312	19	36	17	289
Perth & K/s	2,361	10.957	20	40	20	400
Stirling	2,924	6.784	21	34	13	169
Wigtown	2,985	14.181	22	44	22	484
Gordon	3,186	10.735	23	38	15	225
Nithsdale	3,305	6.304	24	33	9	81
Cunninghame	3,603	1.629	25	24	1	1
E. Lothian	3,951	2.231	26	25	1	1
Moray	4,266	6.801	27	35	8	64
Annandale & E/e	4,393	11.020	28	41	13	169
Edinburgh C.	4,449	0.140	29	2	27	729
Midlothian	4,716	1.042	30	21	9	81
Angus	5,980	5.601	31	31	0	0
Banff & Buchan	6,364	4.415	32	29	3	9
Dumbarton	7,358	1.456	33	23	10	100
E.Kilbride	7,586	0.821	34	18	16	256
Lanark	7,864	5.948	35	32	3	9
Clackmannan	7,975	0.803	36	17	19	361
Eastwood	10,120	0.565	37	15	22	484
Kirkcaldy	10,610	0.413	38	12	26	676
Kilmarnock &..	11,789	1.133	39	22	17	289
Bearsden &..	12,674	0.234	40	5	35	1225
W. Lothian	13,812	0.832	41	19	22	484
Dundee C.	13,887	0.299	42	8	34	1156
Aberdeen C.	13,989	0.217	43	4	39	1521
Hamilton	15,311	0.303	44	9	35	1225
Dunfermline	15,628	0.595	45	16	29	841
Strathkelvin	16,291	0.970	46	20	26	676
Kyle & Car/k	22,492	2.888	47	27	20	400
Renfrew	23,275	0.364	48	10	38	1444
Cumnock & D/n	23,819	4.193	49	28	21	441
Glasgow C.	26,751	0.057	50	1	49	2401
Falkirk	47,722	0.422	51	14	37	1369
Cumbernauld	56,268	0.416	52	13	39	1521
Inverclyde	104,116	0.374	53	11	42	1764
Clydebank	56,529	0.157	54	3	51	2601
Monklands	107,561	0.298	55	7	48	2304
Motherwell	161,104	0.273	56	6	50	2500
						Σd^2 55,126

Table C40 Year 1977

Table for the calculation of the coefficient of rank correlation

District	Craftsman/ D.H.Popul'n ratio x	D.H.Popul'n/ Density ratio y	Rank x	Rank y	d	d^2
Sutherland	303	82.97	1	56	55	3025
Skye & Loch/h	343	61.69	2	55	53	2809
Badenoch & S/y	385	59.53	3	54	51	2601
Shetland	473	41.84	4	52	48	2304
Western Isles	530	24.11	5	48	43	1849
Orkney	600	13.39	6	43	37	1369
Argyll & Bute	814	25.64	8	49	41	1681
Ross & Cromarty	781	28.22	7	50	43	1849
Caithness	823	28.67	9	51	42	1764
Stewartry	938	18.34	10	47	37	1369
Tweeddale	988	16.19	11	45	34	1156
Roxburgh	1,022	10.64	12	39	27	729
Inverness	1,466	12.47	15	42	27	729
Berwickshire	1,126	5.15	13	30	17	289
Kincardine & D/	1,429	16.94	14	46	32	1024
Lochaber	2,263	54.21	19	53	34	1156
Nairn	2,006	10.39	17	38	21	441
N.E.Fife	2,049	2.85	18	26	8	64
Ettrick & L/e	1,489	10.23	16	37	21	441
Perth & K/s	2,386	10.85	20	40	20	400
Stirling	2,649	6.75	21	34	13	169
Wigtown	2,972	14.24	23	44	21	441
Gordon	2,888	9.97	22	36	14	196
Nithsdale	3,305	6.30	25	33	8	64
Cunninghame	3,554	1.61	26	24	2	4
E. Lothian	3,301	2.22	24	25	1	1
Moray	4,484	6.83	29	35	6	36
Annandale & E/e	3,892	11.06	27	41	14	196
Edinburgh C.	4,106	0.14	28	2	26	676
Midlothian	4,726	1.04	30	21	9	81
Angus	6,423	5.59	32	31	1	1
Banff & Buchan	7,762	4.86	36	29	7	49
Dumbarton	6,721	1.46	33	23	10	100
E.Kilbride	5,303	0.807	31	20=	11	121
Lanark	6,912	5.92	35	32	3	9
Clackmannan	6,870	0.80	34	18	16	256
Eastwood	10,144	0.56	39	15	24	576
Kirkcaldy	8,277	0.41	37	13	24	576
Kilmarnock &..	10,226	1.14	40	22	18	324
Bearsden &..	9,557	0.23	38	5	33	1089
W. Lothian	14,224	0.807	44	20=	24	576
Dundee C.	13,769	0.301	42	8	34	1156
Aberdeen C.	13,889	0.22	43	4	39	1521
Hamilton	15,368	0.302	45	9	36	1296
Dunfermline	15,576	0.597	46	17=	29	841
Strathkelvin	13,754	0.597	41	17=	24	576
Kyle & Car/k	28,291	2.87	50	27	23	529
Renfrew	19,192	0.362	48	10	38	1444
Cumnock & D/n	15,630	4.26	47	28	19	361
Glasgow C.	21,897	0.059	49	1	48	2304
Falkirk	47,995	0.419	51	14	37	1369
Cumbernauld	57,725	0.406	54	12	42	1764
Inverclyde	51,623	0.378	52	11	41	1681
Clydebank	55,173	0.160	53	3	50	2500
Monklands	111,154	0.288	55	7	48	2304
Motherwell	153,922	0.285	56	6	50	2500
						Σd^2 54,736

Table C41					Year 1978	
Table for the calculation of the coefficient of rank correlation						
District	Craftsman/ D.H.Popul'n ratio x	D.H.Popul'n/ Density ratio y	Rank x	Rank y	d	d^2
Sutherland	352	87.59	2	56	54	2916
Skye & Loch/h	326	60.79	1	55	54	2916
Badenoch & S/y	504	59.79	3	54	51	2601
Shetland	550	39.70	5	52	47	2209
Western Isles	549	24.14	4	48	44	1936
Orkney	607	13.25	6	43	37	1369
Argyll & Bute	799	25.80	7	49	42	1764
Ross & Cromarty	821	28.94	8	51	43	1849
Caithness	897	28.01	11	50	39	1521
Stewartry	896	18.43	10	47	37	1369
Tweeddale	1,155	16.16	13	45	32	1024
Roxburgh	1,025	10.61	12	39	27	729
Inverness	1,629	12.49	15	42	27	729
Berwickshire	894	5.19	9	30	21	441
Kincardine & D/	1,662	16.47	16	46	30	900
Lochaber	2,236	54.86	19	53	34	1156
Nairn	1,696	10.25	17	38	21	441
N.E.Fife	2,191	2.85	18	26	8	64
Ettrick & L/e	1,429	10.20	14	37	23	529
Perth & K/s	2,845	10.83	21	40	19	361
Stirling	2,568	6.74	20	34	14	196
Wigtown	3,305	14.23	25	44	19	361
Gordon	3,179	9.56	22	36	14	196
Nithsdale	3,749	6.30	27	33	6	36
Cunninghame	3,293	1.61	24	24	0	0
E. Lothian	3,425	2.24	26	25	1	1
Moray	4,529	6.76	29	35	6	36
Annandale & E/e	3,190	11.04	23	41	18	324
Edinburgh C.	4,076	0.14	28	2	26	676
Midlothian	5,628	1.05	30	21	9	81
Angus	6,567	5.46	32	31	1	1
Banff & Buchan	8,738	4.80	35	29	6	36
Dumbarton	5,677	1.48	31	23	8	64
E.Kilbride	6,973	0.818	33	18	15	225
Lanark	7,011	5.84	34	32	2	4
Clackmannan	16,023	0.80	44	19	25	625
Eastwood	10,228	0.56	37	15	22	484
Kirkcaldy	9,972	0.41	36	14	22	484
Kilmarnock &..	11,628	1.14	38	22	16	256
Bearsden &..	12,963	0.23	40	5	35	1225
W. Lothian	16,327	0.791	45	17	28	784
Dundee C.	12,768	0.303	39	9=	30	900
Aberdeen C.	13,905	0.22	41	5	36	1296
Hamilton	17,864	0.303	47	9=	38	1444
Dunfermline	18,252	0.582	48	16	32	1024
Strathkelvin	14,015	0.939	42	20	22	484
Kyle & Car/k	28,129	2.89	50	27	23	529
Renfrew	16,399	0.358	46	10	36	1296
Cumnock & D/n	15,553	4.28	43	28	15	225
Glasgow C.	24,536	0.060	49	1	48	2304
Falkirk	36,034	0.419	51	14	37	1369
Cumbernauld	61,888	0.379	54	12=	42	1764
Inverclyde	51,420	0.379	52	12=	40	1600
Clydebank	54,225	0.162	53	3	50	2500
Monklands	110,094	0.291	55	7	48	2304
Motherwell	152,561	0.288	56	6	50	2500
					Σd^2	54,458

Table C42 Change, 1977/78

Table for the calculation of the coefficient of rank correlation

Distrct	% change in D.H.Popul'n x	% change in Craft Pop'n y	Rank x	Rank y	d	d^2
Sutherland	-0.013	-0.53	8=	56	48	2304
Skye & Loch/h	+0.004	+0.29	29=	5	24	576
Badenoch & S/y	0.0	-0.43	20=	54=	34	1156
Shetland	+0.022	-0.19	47	47	0	0
Western Isles	+0.001	+0.05	23	21=	2	4
Orkney	+0.004	+0.12	29=	14	15	225
Argyll & Bute	-0.004	+0.40	13=	3	10	100
Ross & Cromarty	-0.019	-0.13	3	45	42	1764
Caithness	+0.015	-0.04	41=	34	7	49
Stewartry	0.0	+0.19	20=	10	10	100
Tweeddale	+0.002	-0.12	24=	44=	20	400
Roxburgh	+0.005	+0.14	33=	13=	20	400
Inverness	+0.002	-0.12	24=	44=	20	400
Berwickshire	-0.002	+0.42	16=	2=	14	196
Kincardine & D/	+0.023	-0.16	48	46	2	4
Lochaber	0.0	-0.43	20=	54=	34	1156
Nairn	+0.003	+0.11	27=	15	12	144
N.E.Fife	+0.007	-0.05	35	39=	4	16
Ettrick & L/e	+0.004	+0.18	29=	11	18	324
Perth & K/s	+0.011	-0.51	39=	55	16	256
Stirling	+0.008	+0.21	36=	9=	27	729
Wigtown	+0.004	-0.05	29=	39=	10	100
Gordon	+0.049	-0.01	52	33	19	361
Nithsdale	+0.005	-0.11	33=	42	9	81
Cunninghame	+0.008	+0.42	36=	2=	34	1156
E. Lothian	-0.004	+0.01	13=	30=	17	289
Moray	+0.021	+0.07	46	16	30	900
Annandale & E/e	+0.003	+0.21	27=	9=	18	324
Edinburgh C.	-0.115	+0.36	2	4	2	4
Midlothian	-0.007	-0.20	11	49=	38	1444
Angus	+0.044	+0.06	51	19=	32	1024
Banff & Buchan	+0.024	-0.05	49	39=	10	100
Dumbarton	-0.018	+0.23	4=	6	2	4
E.Kilbride	-0.018	-0.29	4=	51=	47	2209
Lanark	+0.019	+0.04	44	22	22	484
Clackmannan	+0.002	-0.33	24=	52	28	784
Eastwood	+0.011	+0.02	39=	24=	15	225
Kirkcaldy	+0.020	-0.20	45	49=	4	16
Kilmarnock &..	-0.003	-0.05	15	39=	24	576
Bearsden &..	+0.015	-0.08	41	41	0	0
W. Lothian	+0.058	-0.05	54	39=	15	225
Dundee C.	-0.012	+0.14	10	13=	3	9
Aberdeen C.	+0.017	+0.06	43	19=	24	576
Hamilton	-0.002	-0.06	16=	40	24	576
Dunfermline	+0.069	+0.05	55	21	34	1156
Strathkelvin	+0.036	+0.02	50	24	26	676
Kyle & Car/k	-0.006	+0.01	12	30=	18	324
Renfrew	+0.053	+0.22	53	7	46	2116
Cumnock & D/n	-0.001	+0.01	18=	30=	12	144
Glasgow C.	-0.382	-0.29	1	51	50	2500
Falkirk	+0.008	+0.10	36=	17	19	361
Cumbernauld	+0.084	+0.01	56	30=	26	676
Inverclyde	-0.001	+0.01	18=	30=	12	144
Clydebank	-0.015	+0.01	7	30=	23	529
Monklands	-0.013	0.0	8=	32=	24	576
Motherwell	-0.017	0.0	6	32=	26	676
						Σd^2 31,648

Calculation of Coefficient of Rank Correlation

Using the formula : $r' = 1 - \dfrac{6(\sum d^2)}{n^3 - n}$

Year 1975 : $r' = -0.876$

Year 1976 : $r' = -0.884$

Year 1977 : $r' = -0.871$

Year 1978 : $r' = -0.861$

Change from Year 1977/78 : $r' = +0.082$

Applying the critical values of r' as contained in the following table from 'Statistics : A first course' by J.E.Freund and for the value $n = 56$ that critical value would lie between -0.273 and -0.250 .

CRITICAL VALUES OF r*

n	$r_{.025}$	$r_{.005}$	n	$r_{.025}$	$r_{.005}$
3	0.997		18	0.468	0.590
4	0.950	0.999	19	0.456	0.575
5	0.878	0.959	20	0.444	0.561
6	0.811	0.917	21	0.433	0.549
7	0.754	0.875	22	0.423	0.537
8	0.707	0.834	27	0.381	0.487
9	0.666	0.798	32	0.349	0.449
10	0.632	0.765	37	0.325	0.418
11	0.602	0.735	42	0.304	0.393
12	0.576	0.708	47	0.288	0.372
13	0.553	0.684	52	0.273	0.354
14	0.532	0.661	62	0.250	0.325
15	0.514	0.641	72	0.232	0.302
16	0.497	0.623	82	0.217	0.283
17	0.482	0.606	92	0.205	0.267

* This table is abridged from Table VI of R. A. Fisher and F. Yates, *Statistical Tables for Biological, Agricultural, and Medical Research*, published by Oliver and Boyd, Ltd., Edinburgh, by permission of the author's literary executor and publishers.

Pilot Survey Questionnaire

Appendix D 1

DB/OU/RESEARCH PILOT QUESTIONNAIRE

Index No..............
Group No..............
Interview date.........
Time taken............

Nature of Business

Craft / Wholesale.............
Craft / Retail..............
No. of craft employees.......... ft pt
No. of other employees.........
Date of establishment..........
Previous business experience....
Previous craft experience.......
Previous craft training.........self taught....
trade trained..
FE or HE......
Age..........

Description of craft and products :-
....

Location of Business

Reasons for choice of location :

Comments:-

Home area..............................
Known area.............................
Market influence.......................
Availability of material resources....
Availability of human resources.......
Availability of property/site.........
Environment............................
Condition of award of grant...........
other..................................

Assessment

Have your original objectives concerning the nature and location of your business been altered or modified by experience, and if so, how ?

....
....
....
....

Development of the Business

Using volume of business as the guide (total sales) and accounting for annual rates of inflation, over the last three years has your business.......

...........remained stable.... and estimate for next three years......
expanded.......... ......
contracted........ ......

Volume of business(£000) : under 6 | 6-10 | 11-15 | 16-20 | 21-25

Estimate of markets(%) : local | regional | national | UK | Export

Could you suggest ways in which central or local governemnt could assist in supporting or developing your business ?..........................
....
....

Could you suggest ways in which professional or trade organisations could assist in supporting or developing your business ?.......................
....
....

Community

Invite comments on acceptance and support from local community

Art College Graduate

Invite comments on suitability of Art College training

Working Conditions

....		
....	Custom built for work............	
....	Adapted property; living/working.	
....	Existing living accommodation....	
....	Owned by craftsman...............	
....	Rented...........................	

P.A.

P.R. ....

....

....

....

....

....

....

Te		A
		B
		C
Cr		A
		B
		C

DB

Douglas C J Brown, D.A.(Edin.), D.M.S., M.S D C. 29 Hartington Place, Edinburgh EH10 4LF Tel. 031-229 6924

Pilot Qustionnaire

Craftsmen in three selected areas of Scotland.

July/August 1976

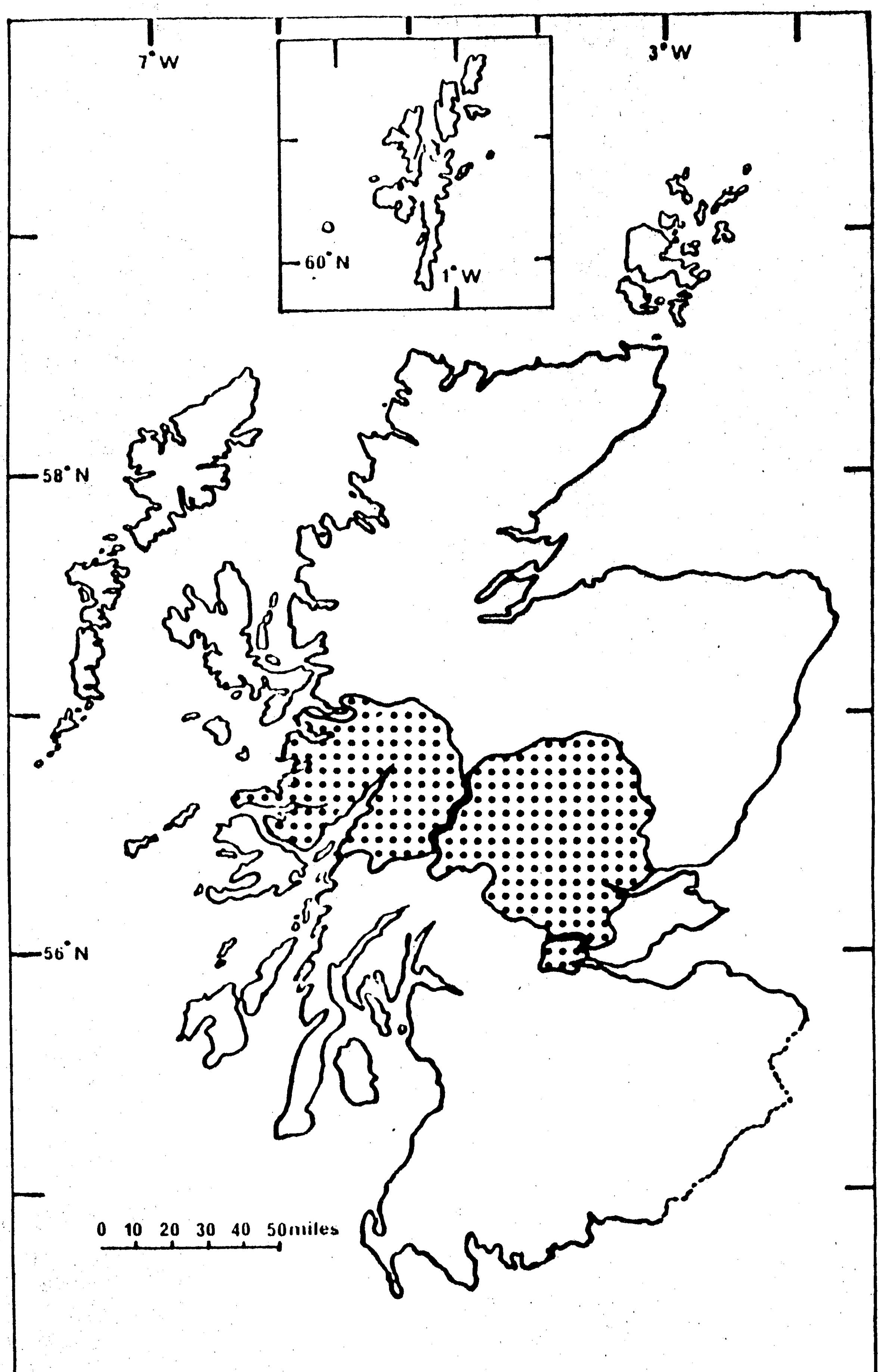
Dear Sir,Madam,

As a practising craftsman and as a lecturer in design and crafts I am engaged in an authorised programme of research into the development of small craft-based businesses in Scotland.

Much is written and said about the crafts in Scotland but there is comparatively little information available on which to base such statements. This research programme is designed to obtain relevent facts and to this purpose I would be grateful if you would agree to answer a number of structured questions,your replies being identifiable only by means of a reference number.

Yours faithfully,

Douglas C.J.Brown



•••• Survey Areas : Lochaber District, Perth and Kinross District and Clackmannan District.

Plan A (5%) - Index number and Group ( )

Lochaber

A 24 (11)	H 35 (5)	M174 (2)	W 46 (13)
B 85 (7)	H 71 (19)	S 7 (2)	
G 58 (21)	L 17 (1)	S117 (5)	
H 26 (22)	M 55 (6)	T 2 (2)	

Clackmannan

B 28 (13)	C 21 (17)	C 47 (4)	C 89 (5)
F 57 (22)	S 2 (12)		

Motherwell

Nil.

Total units included in this survey = 19

This represents 1.66 % of the total units.

Therefore the sequence of 20 has been extended to include the following :-

Perth and Kinross

A 3 (17)	G 9 (17)	M144 (16)	S 63 (10)
A 5 (20)	G 25 (1)	M164 (1)	S 77 (1)
A 22 (11)	G 27 (22)	M 77 (21)	S120 (4)
B 37 (17)	H 30 (22)	M196 (22)	T 23 (14)
B 63 (4)	H 49 (2)	N 11 (2)	T 35 (22)
B 88 (22)	H 51 (10)	N 16 (6)	T 65 (9)
C 39 (5)	H 74 (4)	O 7 (12)	W 32 (6)
C 98 (2)	K 2 (13)	P 12 (15)	W 42 (15)
D 15 (8)	K 7 (2)	P 13 (1)	Y 5 (14)
D 16 (6)	K 25 (16)	P 30 (6)	L 39 (4)
D 37 (8)	L 21 (15)	R 40 (22)	M 74 (17)
F 44 (4)	M102 (13)	R 55 (5)	
G 6 (6)	M117 (7)	S 47 (22)	

Revised total units in this survey ± 69

This represents 6.02 % of the total units.

Plan A (5%)

1. Distribution by Groups

Group		Number
1	-	5
2	-	7
3	-	Nil
4	-	6
5	-	5
6	-	6
7	-	2
8	-	2
9	-	1
10	-	2
11	-	2
12	-	2
13	-	4
14	-	2
15	-	3
16	-	2
17	-	5
18	-	Nil
19	-	1
20	-	1
21	-	1
22	-	10
		69

2. Analysis of Cost of Survey

Lochaber - Car :	Edinburgh to Fort William	120	
	In district....................	250	
	Fort William to Edinburgh......	120	
		490 @ £0.14.......	£68.60
	Subsistence : 4 days @ £10.00..................		£40.00
Clackmannan-Car:	Edinburgh to Clackmannan (x2)..	60	
	In district....................	25	
	Clackmannan to Edinburgh (x2)..	60	
		145 @ £0.14.......	£20.00
	Subsistence : 2 days @ £5.00..................		£10.00
Perth & Kinross :	Edinburgh to Pitlochry.........	50	
	In district....................	260	
	Pitlochry to Edinburgh.........	50	
		310 @ £0.14.......	£43.40
	Subsistence : 12 days @ £10.00..................		£120.00
	Total cost of Survey Plan A..........		£302.00

 Date of Interview . ________

Description of Business

1. Is the craft business run by........a) a sole proprietor ?
   b) a partnership ?
   c) a company ?

2. Does the craft account for...a) the whole of the business operation ?
   b) part of the business ?
   c) an additional form of employment ?
   d) if b)or c), what % ?

3. How many people are employed in the craft business?...

	Craft ft	Craft pt	General ft	General pt
a) proprietor				
b) husband/wife				
c) other				

4. Date of establishment of the craft business?.........

5. Has the business been assisted by a grant ?.....a) yes ________ source
   b) no

Training and Experience

1. Have you received a training in the craft through?.....a) F.E. or H.E.
   b) Trade apprent/p
   c) Special course

2. Prior to the establishment of the business did you have?.........
   ...a) craft experience : ________
   b) Business experience : ________

3. Present age of proprietor?......

Location of Business

1. Please state the reasons for choice of location of the business as from the following...
   Home area________
   Known area________
   Market influence________
   Availability of material resources________
   Availability of human resources________
   Availability of property or site________
   Environment________
   Condition of award of grant________
   Other________

Assessment

1. Have any of your original objectives concerning the nature and location of the business been altered or modified by experience ?
   ____
   ____

Marketing

1. Is the craft product distributed ....%...a) through wholesalers ?
   b) directly to retailers ?
   c) by own retail outlet ?

2. Estimate of markets %

District	Regional	Scotland	U.K.	Export

Development of Business

1. Using total sales figures as a base and accounting for inflation, in the last three years has the business.......
   a) remained static
   b) expanded
   c) contracted

   and estimate for next three years
   a) static
   b) expand
   c) contract

Date of Interview . ______

Supporting Services

1. Could you suggest ways in which central or local government could assist in supporting or developing your business ?

2. Could you suggest ways in which professional or trade organisations could assist in supporting or developing your business ?

Working Facilities

1. How would you describe your workshop facilities ?
   a) Custom built for work ______ [ ]
   b) Adapted property ______ [ ]
   c) Existing living accommodation ______ [ ]
   d) Other ______ [ ]

2. Who owns the premises ?
   a) the craftsman ______ [ ]
   b) rented ______ [ ]

Community

1. As a craftsman are you....

	Yes	No
a) accepted into the local community		
b) supported by the local community		

2. Place of residence prior to the establishment of the business [ ]

3. Comments concerning the community

Art College Graduates

1. College/s attended ______ Year ______
2. College graduated ______
3. Awards ______
4. Specialist subjects ______

5. Now that you have practical experience in the craft, do you wish to make any comment on the suitability of your College training concerning technical knowledge ?

6. Similarly, do you wish to make any comment on the suitability of your College training concerning business knowledge ?

7. Do you think that business studies should be a compulsory part of the training of designer- craftsmen in Art Colleges ?

Yes	No

Table 2 a

Survey Results : Description of Business

Index No.	1			2				C.FT			C.PT			G.FT			G.PT			Date Est.	Grant		Source
	a	b	c	a	b	c	d	a	b	a	a	b	c	a	b	c	a	b	c		Y	N	
A 24	x	-	-	-	50	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1973	-	x	-
G 58	x	-	-	-	50	-	-	1	-	-	-	1	-	-	-	-	-	-	-	1973	-	x	-
H 35	-	-	x	x	-	-	-	1	1	-	-	-	-	-	-	4	-	-	-	1969	x	-	HIDB
H 77	-	x	-	x	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-	1974	x	-	HIDB
112	x	-	-	x	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1974	-	x	-
S 7	-	x	-	x	-	-	-	1	1	-	-	-	-	-	-	-	-	-	1	1972	x	-	HIDB
S117	-	x	-	x	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-	1974	x	-	HIDB
T 2	x	-	-	x	-	-	-	1	1	-	-	-	-	-	-	-	-	-	7	1976	-	x	-
W 46	x	-	-	-	10	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1955	-	x	-
H 30	x	-	-	x	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1971	-	x	-
K 25	x	-	-	-	50	-	-	1	-	1	-	-	-	-	-	-	-	1	-	1970	-	x	-
O 7	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1971	x	-	SDA
P 13	-	-	x	x	-	-	-	-	-	30	-	-	-	-	-	-	1	-	-	1968	-	x	-
B 63	-	-	x	-	80	-	-	-	-	36	-	-	-	-	-	4	-	-	-	1972	-	x	-
B 88	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1976	-	x	-
H 51	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1976	-	x	-
W 42	-	-	x	-	75	-	-	1	-	6	-	-	-	-	-	5	-	-	4	1967	x	-	SBA
G 6	x	-	-	x	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1963	-	x	-
L 21	-	x	-	-	75	-	-	1	-	-	-	-	2	-	-	-	-	-	-	1971	-	x	-
H 49	-	x	-	x	-	-	-	1	-	-	-	-	12	-	-	-	-	-	-	1971	-	x	-
T 23	x	-	-	-	90	-	-	1	-	1	-	-	1	-	-	-	-	-	2	1950	-	x	-
C 39	x	-	-	x	-	-	-	1	-	5	-	-	-	-	-	5	-	-	-	1972	x	-	SDA
P 12	x	-	-	x	-	-	-	-	-	6	1	-	-	-	-	-	-	-	-	1961	x	-	SDA
S 63	x	-	-	x	-	-	-	1	-	14	-	-	-	-	-	1	-	-	1	1955	-	x	-
Y 5	-	x	-	-	30	-	-	1	-	-	-	-	-	-	-	-	-	-	2	1967	x	-	SDA
S120	x	-	-	-	98	-	-	1	-	2	-	1	-	-	-	1	-	-	-	1974	-	x	-
R 40	x	-	-	-	10	-	-	1	-	-	-	-	1	-	-	-	-	-	-	1970	-	x	-
T 65	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1976	-	x	-
C 98	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1976	x	-	SDA
W 32	-	-	x	x	-	-	-	1	-	22	-	-	-	-	-	3	-	-	-	1929	x	-	SDA
M117	-	x	-	x	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-	1975	x	-	SDA
H 74	x	-	-	-	75	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1970	-	x	-
A 5	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1975	U	U	U
M164	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1977	x	-	SDA
N 11	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1967	-	x	-
K 2	x	-	-	x	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1950	-	x	-
T 35	x	-	-	x	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1972	-	x	-
L 39	x	-	-	x	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1957	-	x	-
F 57	x	-	-	x	-	-	-	1	-	-	-	-	20	-	-	-	-	-	-	1975	-	x	-
C 89	x	-	-	-	50	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1964	-	x	-
S 2	-	-	x	-	70	-	-	1	-	1	-	-	-	-	-	-	-	-	1	1968	-	x	-

Table 2 b
Survey Results : Training & Experience

Index	1			2		3
No	a	b	c	a	b	Age
A 24	-	-	-	-	-	30
G 58	-	-	-	x	-	47
H 35	-	-	x	-	x	43
H 77	-	-	-	-	-	31
112	-	x	x	x	-	46
S 7	x	-	-	-	x	33
S117	-	-	-	x	x	44
T 2	-	-	-	x	x	32
W 46	-	x	x	x	x	53
H 30	-	-	-	-	-	31
K 25	-	-	-	x	-	52
O 7	-	-	-	x	x	59
P 13	-	-	-	-	x	58
B 63	-	-	-	-	x	58
B 88	-	-	-	x	-	32
H 51	-	-	-	-	-	63
W 42	-	x	-	-	-	48
G 6	-	-	x	x	x	72
L 21	-	-	-	x	x	33
H 49	-	-	-	x	x	50/29
T 23	-	-	-	-	-	52
C 39	-	x	-	x	x	36
P 12	-	x	-	x	-	50
S 63	-	-	-	-	-	57
Y 5	-	-	-	x	-	38
S120	x	-	-	x	x	32
R 40	-	-	-	x	-	45
T 65	x	-	-	-	-	23
C 98	x	-	-	x	-	23
W 32	-	x	-	-	-	50
M117	x	-	-	-	-	23/26
H 74	-	-	x	-	-	67
A 5	-	-	x	-	-	29
M164	x	-	-	-	-	30
N 11	-	-	-	x	x	51
K 2	-	-	-	x	x	67
T 35	-	x	-	x	-	45
L 39	x	-	x	x	-	48
F 57	-	-	-	x	x	34
C 89	x	-	-	-	x	41
S 2	-	-	-	x	-	43

Table 2 c
Survey Results : Location of Business

	1	2	3	4	5	6	7	8	9
A 24	1	-	-	-	-	-	2	-	-
G 58	1	-	-	-	-	-	-	-	-
H 35	-	-	-	3	2	-	-	-	1
H 77	1	-	-	-	-	-	-	-	-
112	1	-	-	-	-	-	-	-	-
S 7	1	1	1	1	1	1	1	-	-
S117	1	-	2	-	-	-	3	-	-
T 2	1	-	-	-	-	-	-	-	-
W 46	1	-	-	-	-	-	-	-	-
H 30	1	-	-	-	-	-	-	-	-
K 25	-	3	-	-	-	1	2	-	-
O 7	1	-	-	-	-	2	-	-	-
P 13	1	-	-	-	-	-	-	-	-
B 63	-	-	1	-	-	-	-	-	-
B 88	-	-	2	-	-	1	-	-	-
H 51	1	-	-	-	-	-	-	-	-
W 42	-	-	-	-	-	1	-	-	-
G 6	-	-	-	-	-	-	-	-	1
L 21	1	-	-	-	-	-	-	-	-
H 49	1	-	-	-	-	-	-	-	-
T 23	1	-	-	-	-	-	-	-	-
C 39	1	-	2	3	-	-	-	-	-
P 12	-	-	-	-	-	-	-	-	1
S 63	1	-	-	-	-	-	-	-	-
Y 5	1	-	-	-	-	-	-	-	-
S120	-	-	-	-	-	1	-	-	-
R 40	3	-	1	-	-	2	-	-	-
T 65	-	3	4	-	-	1	2	-	-
C 98	-	3	2	-	-	1	-	-	-
W 32	-	-	-	-	-	-	-	-	1
M117	-	-	-	-	-	2	1	3	-
H 74	-	-	-	-	-	1	2	-	-
A 5	1	-	-	-	-	2	-	-	-
M164	1	-	-	-	-	-	-	-	-
N 11	-	-	-	-	-	-	-	-	1
K 2	1	-	-	-	-	-	-	-	-
T 35	2	-	-	-	-	-	1	-	-
L 39	2	-	-	-	-	1	-	-	-
F 57	-	-	-	2	1	-	3	-	-
C 89	1	-	-	-	-	-	-	-	2
S 2	-	-	-	-	-	2	-	-	1

Table 2 d
Survey Results : Assessment

Index No.	No	Yes
A 24	-	Started with toys; now making furniture and fittings
G 58	-	Original product now too expensive to produce
H 35	x	-
H 77	x	-
112	x	-
S 7	x	-
S117	x	-
T 2	-	Expansion has resulted in business taking over lives
W 46	-	Not able to do as much now (part of business)
H 30	x	-
K 25	-	Poor trading site chosen ; difficult to expand.
O 7	-	Started with part product ; moving to whole product.
P 13	x	-
B 63	x	-
B 88	x	-
H 51	x	-
W 42	x	-
G 6	x	-
L 21	x	-
H 49	-	Change of product
T 23	x	-
C 39	-	Initially good product/job satisfaction; now all financial
P 12	NR	NR
S 63	-	Initial aim high quality/low price ; now mass production
Y 5	x	-
S120	-	Work now more commercial and realistic
R 40	-	Selling others' products has taken over from the craft
T 65	-	Started being commercial ; now doing her own natural work
C 98	-	Initially 50% commissions/50% manufacturing : now 100% manuf.
W 32	-	Now diversifying to sell directly to consumer.
M117	x	-
H 74	-	For personal reasons
A 5	-	Change of product
M164	NR	NR
N 11	x	-
K 2	-	Because raw material (iron) impossible to obtain.
T 35	-	Own standards improved ; new market identified
L 39	x	-
F 57	x	-
C 89	-	Now prefers to teach and select best work in craft
S 2	x	-

NR : Question not relevant

Table 2 e

Survey Results : Marketing (%)

Index No.	1			2				
	a	b	c	Dist.	Reg.	Scot.	UK.	Exp.
A 24	-	50	50	25	50	25	-	-
G 58	-	100	-	-	-	75	25	-
H 35	-	95	5	5	-	50	40	5
H 77	-	100	-	5	80	5	10	-
112	25	-	75	75	25	-	-	-
S 7	-	60	40	40	60	-	-	-
S117	50	50	-	-	-	25	75	-
T 2	-	100	-	5	50	20	15	10
W 46	-	-	100	100	-	-	-	-
H 30	-	100	-	100	-	-	-	-
K 25	-	90	10	-	-	95	-	5
O 7	-	-	100	-	-	70	-	30
P 13	-	100	-	-	-	25	20	55
B 63	-	80	20	20	-	15	5	60
B 88	-	35	65	65	35	-	-	-
H 51	-	90	10	10	-	75	15	-
W 42	-	70	30	30	-	50	10	10
G 6	-	-	100	100	-	-	-	-
L 21	-	100	-	-	-	90	10	-
H 49	-	100	-	-	-	90	10	-
T 23	-	5	95	95	-	5	-	-
C 39	-	100	-	-	-	80	-	20
P 12	1	99	-	-	-	80	20	-
S 63	-	100	-	-	-	50	10	40
Y 5	-	70	30	30	-	70	-	-
S120	-	25	75	75	-	25	-	-
R 40	20	-	80	80	-	15	5	-
T 65	-	75	25	25	-	75	-	-
C 98	-	90	10	10	-	80	5	5
W 32	49	49	2	2	-	-	75	3
M117	-	90	10	10	-	20	30	40
H 74	-	-	100	100	-	-	-	-
A 5	-	100	-	U	U	U	U	U
M164	-	99	1	-	-	40	60	-
N 11	35	25	-	-	-	50	10	40
K 2	-	-	100	-	-	95	-	5
T 35	-	-	100	-	-	-	75	25
L 39	-	-	100	-	75	25	-	-
F 57	-	100	-	-	-	75	12.5	12.5
C 89	-	-	100	-	-	50	50	-
S 2	-	-	100	5	35	30	20	10

U : Answer unknown

Table 2 f

Survey Results : Development of Business

Index No.	1						2					
	a	b	c	a	b	c	≤ 6	6-10	11-15	16-20	21-25	Over
A 24	-	x	-	-	x	-	-	x	-	-	-	-
G 58	-	x	-	-	x	-	x	-	-	-	-	-
H 35	-	x	-	-	-	x	-	-	-	-	-	£40,000 +
H 77	-	x	-	U	U	U	-	x	-	-	-	-
112	x	-	-	x	-	-	x	-	-	-	-	-
S 7	-	x	-	-	x	-	-	-	x	-	-	-
S117	-	x	-	-	x	-	x	-	-	-	-	-
T 2	NR	NR	NR	-	x	-	-	-	-	-	x	-
W 46	x	-	-	-	x	-	x	-	-	-	-	-
H 30	U	U	U	U	U	U	X	-	-	-	-	-
K 25	x	-	-	x	-	-	R	R	R	R	R	R
O 7	-	x	-	-	x	-	x	-	-	-	-	-
P 13	-	x	-	U	U	U	-	-	-	-	-	£200,000
B 63	-	x	-	U	U	U	-	-	-	-	-	£200,000
B 88	NR	NR	NR	-	x	-	-	x	-	-	-	-
H 51	NR	NR	NR	-	x	-	x	-	-	-	-	-
W 42	-	x	-	-	x	-	-	-	-	-	-	£75,000
G 6	NR	NR	NR	-	x	-	x	-	-	-	-	-
L 21	-	x	-	U	U	U	-	-	-	x	-	-
H 49	-	x	-	x	-	-	R	R	R	R	R	R
T 23	x	-	-	x	-	-	-	x	-	-	-	-
C 39	-	x	-	-	x	-	-	-	-	x	-	-
P 12	-	x	-	-	x	-	-	-	-	-	x	-
S 63	-	x	-	U	U	U	-	-	-	-	-	£150,000
Y 5	-	x	-	-	x	-	x	-	-	-	-	-
S120	-	x	-	-	x	-	x	-	-	-	-	-
R 40	-	x	-	x	-	-	-	-	x	-	-	-
T 65	NR	NR	NR	-	x	-	x	-	-	-	-	-
C 98	NR	NR	NR	-	x	-	x	-	-	-	-	-
W 32	-	x	-	-	x	-	-	-	-	-	-	£116,000
M117	NR	NR	NR	-	x	-	x	-	-	-	-	-
H 74	-	-	x	-	x	-	x	-	-	-	-	-
A 5	NR	NR	NR	x	-	-	x	-	-	-	-	-
M164	NR	NR	NR	x	-	-	x	-	-	-	-	-
N 11	-	x	-	-	x	-	-	x	-	-	-	-
K 2	x	-	-	x	-	-	R	R	R	R	R	R
T 35	x	-	-	-	x	-	x	-	-	-	-	-
L 39	-	x	-	x	-	-	x	-	-	-	-	-
F 57	-	x	-	-	x	-	-	-	x	-	-	-
C 89	-	x	-	-	x	-	x	-	-	-	-	-
S 2	x	-	-	x	-	-	-	-	x	-	-	-

NR : Question not relevant
U : Answer unknown
R : Refusal to answer the question

Table 2 g
Survey Results : Supporting Services

Index No	1 No	1 Yes	2 No	2 Yes
A 24	-	Does not want help/HIDB		SDA service is reasonable
G 58	-	HIDB could assist to employ		To find wholesale market
H 35	-	Question HIDB on markets	x	-
H 77	x	-	x	-
112	-	Loans/grants for equipm't		Materials and marketing
S 7	-	Signs for advertisement	-	SDA help/ Trade Fairs
S117	-	Loans too slow / premises	x	-
T 2	x	-	x	-
W 46	-	More HIDB assist.to Locals	-	SDA instructors
H 30	x	-	x	-
K 25	-	Attack VAT	x	-
O 7	-	Provision of premises	x	-
P 13	-	Getting off our backs	x	-
B 63	-	Getting off our backs	x	-
B 88	-	Finance for development	x	-
H 51	-	CC best advertisement	x	-
W 42	x	-	x	-
G 6	x	-	x	-
L 21	-	More help on selling side	x	-
H 49	x	-	x	-
T 23	-	Need for equipment grants	x	-
C 39	x	Responsible agents/decisions	x	-
P 12	-	Export side	-	Day release /apprentices
S 63	x	-	x	-
Y 5	-	Do it yourself	-	Don't want to get bigger
S120	-	Agent knowledgeable/craft	x	-
R 40	x	-	x	-
T 65	-	Grants/low interest loans	-	Lists:materials,tools,retail.
C 98	-	Premises / advertising	-	Chambers of Commerce
W 32	-	Advert'g/product and place	-	Getting good employees
M117	x	-	x	-
H 74	x	-	-	chasing delivery of supplies
A 5	-	Grants	x	-
M164	-	Local authority shops	x	-
N 11	-	Bigger grants/ SDA expertise	x	-
K 2	x	-	x	-
T 35	x	-	x	-
L 39	-	In advertising & marketing	-	Technical information
F 57	x	-	x	-
C 89	-	More use of local talent	-	Getting work for locals
S 2	-	Arts Council support	x	-

Table 2 h
Survey Results : Working Facilities

Index No	1 a	1 b	1 c	1 d	2 a	2 b
A 24	-	x	-	-	-	x
G 58	-	x	-	-	-	x
H 35	x	-	-	-	-	x
H 77	-	x	-	-	O	O
112	-	x	-	-	-	x
S 7	-	x	-	-	x	-
S117	-	-	x	-	x	-
T 2	-	x	-	-	-	x
W 46	x	-	-	-	-	x
H 30	-	-	x	-	x	-
K 25	-	x	-	-	x	-
O 7	-	x	-	-	-	x
P 13	x	-	-	-	x	-
B 63	x	-	-	-	x	-
B 88	-	x	-	-	-	x
H 51	-	x	-	-	x	-
W 42	-	x	-	-	x	-
G 6	x	-	-	-	x	-
L 21	-	x	-	-	x	x
H 49	x	x	x	-	x	-
T 23	x	-	-	-	x	-
C 39	-	x	-	-	x	-
P 12	-	x	-	-	-	x
S 63	x	-	-	-	x	-
Y 5	-	x	-	-	x	-
S120	-	x	-	-	x	-
R 40	-	x	-	-	x	-
T 65	-	x	-	-	-	x
C 98	-	x	-	-	-	x
W 32	x	-	-	-	x	-
M117	-	-	x	-	x	-
H 74	-	x	-	-	x	-
A 5	-	x	-	-	-	x
M164	-	x	-	-	x	-
N 11	-	x	-	-	x	-
K 2	-	x	-	-	x	-
T 35	-	x	-	-	x	-
L 39	-	x	-	-	x	-
F 57	NR	NR	NR	NR	NR	NR
C 89	-	-	x	-	x	-
S 2	-	x	-	-	x	-

O : answer omitted from questionnaie
NR : Not relevant because employees all outworkers

Table 2 1
Survey Results : Community

Index No.	1a Y	1a N	1b Y	1b N	2 Pl.of Res.	3 Comments
A 24	x	-	x	-	Norway	30% are incomers so no problems
G 58	x	-	x	-	Local	-
H 35	x	-	x	-	Western Isls	-
H 77	x	-	x	-	N. Wales	Integrated well into the community
112	x	-	x	-	Local	-
S 7	x	-	x	-	Fort William	Good
S 117	x	-	x	-	Hampshire	-
T 2	x	-	x	-	Nottingham	Fine - but local authority non-co-operat.
W 46	x	-	x	-	Local	-
H 30	NR	NR	NR	NR	Edinburgh	NR
K 25	x	-	x	-	Glasgow	Community O.K.
O 7	x	-	x	-	Local	Too many gift shops selling foreign goods
P 13	-	x	-	x	Local	Small community/limited devel. potential
B 63	x	-	x	-	Local	Development potential limited
B 88	x	-	x	-	Speyside	-
H 51	NR	NR	NR	NR	Indonesia	-
W 42	x	-	x	-	Local	-
G 6	x	-	x	-	Edinburgh	-
L 21	x	-	-	x	Dunbar	-
H 49	x	-	-	x	Dunbar	-
T 23	x	-	x	-	Local	Mostly new people in the area
C 39	-	x	-	x	Local	No better/no worse than anywhere else
P 12	x	-	x	-	Glasgow	NR
S 63	x	-	-	x	ex-RAF	-
Y 5	x	-	x	-	Edinburgh	Due to lack of facilities, few visitors
S120	x	-	-	x	Surrey	Craftsmanship of tourist goods shocking
R 40	x	-	x	-	Local	Community will grow as business centre
T 65	x	-	-	x	Dundee	-
C 98	-	x	-	x	Dundee	Local people very funny
W 32	x	-	-	x	Local	Could expand tourist business more
M117	x	-	x	-	Sussex	Good business centre
H 74	x	-	x	-	Balmore	-
A 5	x	-	NR	NR	Perth	-
M164	NR	NR	x	-	Local	-
N 11	U	U	U	U	Local	A lot of old people
K 2	x	-	x	-	Local	A few new industries/prosperity from ag.
T 35	x	-	x	-	Canada	Very happy to be back
L 39	x	-	x	-	Local	Not a tourist area.
F 57	x	-	NR	NR	Local	-
C 89	NR	NR	NR	NR	Paisley	Works privately for more educated sector
S 2	NR	NR	-	x	Glasgow	-

NR : Question not relevant
U : Answer unknown

Table 2 j
Survey Results : Art College Graduates

Index No	1 Coll	1 Yr	2 Coll	2 Yr	3 Awd	4 Subj	5	6	7 Y	7 N
A 24	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
G 58	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
H 35	ECA	57-	ECA	60	DA	Mur.	Not enough	No comment	x	-
H 77	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
112	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
S 7	ECA	57	ECA	62	DA	Scul.	Not applicable	No Comment	-	x
S117	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
T 2	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
W 46	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
H 30	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
K 25	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
O 7	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
P 13	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
B 63	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
B 88	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
H 51	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
W 42	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
G 6	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
L 21	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
H 49	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
T 23	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
C 39	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
P 12	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
S 63	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
Y 5	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
S120	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
R 40	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
T 65	Dun	71-	Dun	76	DA	D.Ds	Have to 'dig'	Not enough	-	x
C 98	Dun	71-	Dun	76	DA	S&J	Comprehensive	Non-existant	x	-
W 32	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
M117	B.Pol	70-	B.Pol	73	O	Fash	Should be more	None	x	-
H 74	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
A 5	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
M164	ECA	69	RCA	71	RCA	Gla.	Excellent	No comment	x	-
N 11	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
K 2	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
T 35	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
L 39	Dun	47-	Dun	51	DA	D&P	NR	None	X	-
F 57	NR	NR	NR	NR	NR	NR	NR	NR	NR	N
C 89	GSA	53-	GSA	57	DA	Grap.	Not enough	Not needed	-	x
S 2	NR	NR	NR	NR	NR	NR	NR	NR	NR	N

Additional (M117) : above Female
Below Male

M117	W.S.P.	70-	W.S.P	72	O	Text	Should be more	None	x	-

NR : Question not relevant (and N)
O : Answer omitted from questionnaire

Series of Tests on the Survey Results using Chi Square as a measure of the total discrepancy between observation and expectation. The formula applied as detailed by Anderson, T.R. and Zelditch, M Jnr (1975). Tests detailed are those at or near significance.

a	b	a + b
c	d	c + d
a + c	b + d	n = a + b + c + d

$$X^2 = \frac{n(ad - bc)^2}{(a + b)(c + d)(a + c)(b + d)}$$

Significant values (Fisher & Yates) : 95% at 1^o = 3.84 : 1 Tail at 1^o=2.71

It has been noted that the size of the sample is critical to the results and in this case the comparatively small sample reduces the number of significant results assuming direct proportion, for example:-

Test 6 (actual)

10	3	13
14	14	28
24	17	41

Result = 2.65

Test 6 (assume results x 2)

20	6	26
28	28	56
48	34	82

Result = 5.30

Thus, in the actual sample the result is not significant whereas the result on the sample assumed to be in direct proportion and double the size of sample is clearly significant.

For this reason, it has been assumed that all tests which clear the significance values are very positive results. Equally, it has been assumed that results within the banding 1.50 - 2.71/3.84 are useful indicators which could prove positive in the context of a larger sample. No direct claims are made on the basis of the latter results.

To assist in the assessment of the results each test is shown under the relevant headings and in the following sequence :-

A. Significant Results

B. Indicators

C. Negative Results

Series of Tests relating to Business Organisation

Tests relating to the element of BUSINESS ORGANISATION

A. Significant Results

Test 1 : Volume of Business / Business organisation

	<11	>11	
Sole Prop & Part	24	8	32
Company	0	6	6
	24	14	38

$$X^2 = \frac{38(24 \times 6 - 8 \times 0)^2}{32 \times 6 \times 14 \times 24} = \frac{38(144 - 0)^2}{64512} = \frac{787968}{64512} = \underline{12.2} \text{ Significant}$$

Summary : This test demonstrates a strong and positive difference between observed and expected frequencies with the sole proprietor and partnership form of organisation having a small volume of business and the company form having a large volume of business.

Test 12 : Previous Craft Experience/ Business Organisation

	SP & P	C	
With P.C. Experience	22	1	23
Without P.C. Exp.	13	5	18
	35	6	41

$$X^2 = \frac{41(22 \times 5 - 13 \times 1)^2}{35 \times 6 \times 18 \times 23} = \frac{41(110 - 13)^2}{86940} = \frac{385769}{86940} = \underline{4.43} \text{ Significant}$$

Summary : there is evidence to suggest that previous craft experience of the proprietor has a significant effect on the 'shape' of the business with a much higher proportion of those with training opting for the sole proprietor or partnership form of organisation.

Test 21 : Previous Craft & Business Experience/ Business Organisation

	SP & P	C	
With PC & B Experience	12	0	12
Without PC & B Experience	23	6	29
	35	6	41

$$X^2 = \frac{41(12 \times 6 - 0 \times 23)^2}{35 \times 6 \times 29 \times 12} = \frac{41(72)^2}{73080} = \frac{212544}{73080} = \underline{2.91} \text{ 1 tail signif.}$$

Summary : it had also been anticipated that proprietors with both previous craft and business experience might well opt for the more independent form of business organisation. This test on a 1 tail basis supports that view.

Test 67 : Location / Business Organisation

	SP & P	C	
Home Area Priority	24	1	25
Other Priorities	11	5	16
	35	6	41

$$X^2 = \frac{41(24 \times 5 - 1 \times 11)^2}{35 \times 6 \times 16 \times 25} = \frac{41(120 - 11)^2}{84000} = \frac{487121}{84000} = \underline{5.80} \text{ Significant}$$

Summary : this test shows that there is a significant difference between observed and expected frequencies, with proprietors opting for sole proprietor and partnership business structures tending to set up the business in the home area.

Business Organisation (Cont.)

A. Significant Results (Cont.)

Test 99 : Objectives / Business Organisation

	SP & P	C	
Changed Objectives	18	1	19
Unchanged Objectives	15	5	20
	33	6	39

$$X^2 = \frac{39(18 \times 5 - 1 \times 15)^2}{33 \times 6 \times 20 \times 19} = \frac{39(90-15)^2}{75240} = \frac{219375}{75240} = \underline{2.92}$$ 1 tail significant

Summary : As there is considerably greater freedom of action open to sole proprietors and partners compared to companies, it had been anticipated that the former would demonstrate more flexibility in terms of changes in objectives. This test supports that view.

Test 119 : Businesses exporting>10% / Business Organisation

	SP & P	C	
Exporting>10%	8	4	12
Others	27	2	29
	35	6	41

$$X^2 = \frac{41(8 \times 2 - 4 \times 27)^2}{35 \times 6 \times 29 \times 12} = \frac{41(16 - 108)^2}{73080} = \frac{347024}{73080} = \underline{4.75}$$ Significant

Summary : two out of three companies achieve 10% of more as exports compared to 1 out of 4 of the sole proprietors and partnerships. This tests should be substantiated by a similar test related to volume of business.

Test 113 : Group selling more than 20% outwith Scotland/ Business Organisation

	SP & P	C	
>20% in rem. U.K.	7	4	11
Remainder	28	2	30
	35	6	41

$$X^2 = \frac{41(2 \times 7 - 4 \times 28)^2}{35 \times 6 \times 30 \times 11} = \frac{41(14 - 112)^2}{69300} = \frac{393764}{69300} = \underline{5.68}$$ Significant

Summary : This test shows that of the sole proprietors and partners only 1 in 5 sells 20% or more outwith Scotland and in the remainder of the U.K. compared to 2 in 3 companies.

B. Indicators

Test 83 : Location (Environment) / Business Organisation

	SP & P	C	
Environment Prior.	9	0	9
Other Priority	26	6	32
	35	6	41

$$X^2 = \frac{41(9 \times 6 - 0 \times 26)^2}{35 \times 6 \times 32 \times 9} = \frac{41(54)^2}{60480} = \frac{119556}{60480} = 1.98$$

Summary : As the result is not significant it can only be taken as an indicator that in a larger survey it is possible that environment priority among the sole proprietors and partners might be strengthened

B. Indicators (Continued)

Test 143 : Age of Proprietor / Business organisation

	30-40	43-53	
Sole Prop.& Part.	12	12	24
Company	0	4	4
	12	16	28

$$\chi^2 = \frac{28(12 \times 4 - 12 \times 0)^2}{12 \times 16 \times 4 \times 24} = \frac{28(2304)}{18432} = \frac{64512}{18432} = 3.50$$

Summary : This test shows that at the time of the survey the sole proprietor and partnership forms of organisation contained equal numbers from the two main age-groups whereas the company form of organisation was made up exclusively of proprietors in the older age-group. While it had been anticipated that the company structure would probably be created by the older age group which would justify a claim for significance on a 1 tail basis such a claim cannot be substantiated because their age at the date of establishment showed a more even split

C. Negative Results

Test 63 : Training and Experience / Business Organisation

	SP & P.	C	
Without Tr.or Exp.	6	0	6
With Tr. or Exp.	29	6	35
	35	6	41

$X^2 = 1.21$

Test 7 : Training / Business Organisation

	SP & P	C	
With Training	13	2	15
Without Training	22	4	26
	35	6	41

$X^2 = 0.03$

Test 16 : Previous Business Experience / Business Organisation

	SP & P	C	
With P.B. Experience	14	3	17
Without P.B. Experience	21	3	24
	35	6	41

$X^2 = 0.21$

Test 91 : Location (Market) / Business Organisation

	SP & P	C	
Market Priority	6	1	7
Other Priority	29	5	34
	35	6	41

$X^3 = 0.0008$

Test 75 : Location (Property/Site)/ Business Organisation

	SP & P	C	
Property Priority	12	2	14
Other Priority	23	4	27
	35	6	41

$X^2 = 0.002$

Business Organisation (Cont.)

C. Negative Results (Continued)

Test 125 : Development over last 3 years/ Business Organisation

	SP & P	C	
Static	6	1	7
Expand	18	5	23
	24	6	30

$X^2 = 0.19$

Test 131 : Development estimated over next 3 years/ Business Organisation

	SP & P	C	
Static	9	1	10
Expand	22	2	24
	31	3	34

$X^2 = 0.02$

Test 149 : Age of Proprietor at establishment/ Business Organisation

	< 36	>36	
Sole Prop. & Part.	23	14	37
Company	2	3	5
	25	17	42

$X^2 = 0.90$

Test 105 :>50% Own Retail, Retail / Business Organisation

	SP & P	C	
Retailers	19	4	23
Own Retail	13	1	14
	32	5	37

$X^2 = 0.78$

Test 137 : Premises / Business Organisation

	SP & P	C	
Owning	20	5	25
Renting	10	1	11
	30	6	36

$X^2 = 0.65$

Test 161 : Assistance / Business Organsiation

	SP & P	C	
Assisted	10	3	13
Not Assisted	25	3	28
	35	6	41

$$X^2 = \frac{41(25 \times 3 - 10 \times 3)^2}{35 \times 6 \times 28 \times 13} = \frac{41(75 - 30)^2}{76440} = \frac{83025}{76440} = \underline{1.09}$$

Series of Tests relating to Employment

Employment

A. Significant Results

Test 157 : Employment / Volume of Business

	< 11	> 11	
Employing	4	14	18
Not Employing	20	0	20
	24	14	38

$$X^2 = \frac{38(4 \times 0 - 14 \times 20)^2}{24 \times 14 \times 20 \times 18} = \frac{38(280)^2}{100800} = \frac{2979200}{100800} = \underline{29.55} \text{ Significant}$$

Summary : It had been anticipated that the bulk of employment would be provided by the businesses with the greater volumes of business and this test provides confirmation.

C. Negative Results

Test 155 : Employment / Previous Training

	With	With -out	
Employing	8	12	20
Not Employing	11	10	21
	19	22	41

$$X^2 = \frac{41(8 \times 10 - 12 \times 11)^2}{19 \times 22 \times 21 \times 20} = \frac{41(2704)}{175560} = \frac{110864}{175560} = \underline{0.63} \text{ Negative}$$

Test 156 : Employment / Previous Craft Experience

	With	With -out	
Employing	11	9	20
Not Employing	12	9	21
	23	18	41

$$X^2 = \frac{41(11 \times 9 - 9 \times 12)^2}{23 \times 18 \times 21 \times 20} = \frac{41(81)}{173880} = \frac{3321}{173880} = \underline{0.019} \text{ Negative}$$

Test 158 : Employment / Previous Business Experience

	With	With -out	
Employment	10	10	20
Not Employing	7	14	21
	17	24	41

$$X^2 = \frac{41(10 \times 14 - 10 \times 7)^2}{17 \times 24 \times 21 \times 20} = \frac{41(\ 4900)}{171360} = \frac{200900}{171360} = \underline{1.17} \text{ Negative}$$

Test 159 : Employment / Sales Channels (DIRect or INDirect)

	DIR	IND	
Employing	12	8	20
Not Employing	16	5	21
	28	13	41

$$X^2 = \frac{41(12 \times 5 - 16 \times 8)^2}{28 \times 13 \times 21 \times 20} = \frac{41(4624)}{152880} = \frac{189584}{152880} = \underline{1.24} \text{ Negative}$$

Test 160 : Employment / Estimate of Development for next 3 years (EXPand or STATic/ CONTract)

	EXP	STAT CONT	
Employing	10	6	16
Not Employing	14	5	19
	24	11	35

$$X^2 = \frac{35(10 \times 5 - 6 \times 14)^2}{24 \times 11 \times 19 \times 16} = \frac{35(1156)}{80256} = \frac{40460}{80256} = \underline{0.504} \text{ Negative}$$

Series of Tests relating to Assistance/ Grants.

Assistance / Grants and Loans

A. Significant Results

Test 162 : Assistance / Formal Training

	With	Without	
Assisted	8	5	13
Not Assisted	7	21	28
	15	26	41

$$X^2 = \frac{41(7 \times 5 - 8 \times 21)^2}{15 \times 26 \times 23 \times 13} = \frac{41(35 - 168)^2}{116610} = \frac{725249}{116610} = \underline{6.2} \text{ Significant}$$

Summary : This results confirms the anticipated relationship between the award of grants and evidence of a formal and assessable element of training.

B. Indicator

Test 6 : Development / Grants for assistance

	expand	stat. contr.	
Assisted	10	3	13
Not assisted	14	14	28
	24	17	41

$$X^2 = \frac{41(10 \times 14 - 3 \times 14)}{24 \times 17 \times 13 \times 28} = \frac{41(140-42)^2}{148512} = \frac{393764}{148512} = \underline{2.65}$$

Summary : It had been assumed that businesses which had been selected for the award of grants would be more confident about their development over the next three years than others. Although the result cannot be claimed to be significant on a one tail basis it would be reasonable, on a larger survey, to expect a significant result.

C. Negative Results

Test 4 : Volume of Business / Assistance (grants)

	< 11	> 11	
Assisted	7	6	13
Not assisted	17	8	25
	24	14	38

$X^2 = 0.74$

Test 164 : Assistance / Previous Business Experience

	With	With -out	
Assisted	5	8	13
Not Assisted	12	16	28
	17	24	41

$$X^2 = \frac{41(5 \times 16 - 12 \times 8)^2}{17 \times 24 \times 28 \times 13} = \frac{41(80 - 96)^2}{148512} = \frac{10496}{148512} = \underline{0.07}$$

Assistance / Grants (Continued)

C. Negative Results (Cont.)

Test 163 : Assistance / Previous Craft Experience

	With	With -out	
Assisted	6	7	13
Not Assisted	17	11	28
	23	18	41

$$X^2 = \frac{41(17 \times 7 - 6 \times 11)^2}{23 \times 18 \times 28 \times 13} = \frac{41(119 - 66)^2}{150696} = \frac{115169}{150696} = \underline{0.76}$$

Test 161 : Assistance / Business Organsiation

	SP & P	C	
Assisted	10	3	13
Not Assisted	25	3	28
	35	6	41

$$X^2 = \frac{41(25 \times 3 - 10 \times 3)^2}{35 \times 6 \times 28 \times 13} = \frac{41(75 - 30)^2}{76440} = \frac{83025}{76440} = \underline{1.09}$$

Series of Tests relating to the Previous Training of the Proprietor.

Tests related to Previous Training

A. Significant Results

Test 162 : Assistance / Formal Training

	With	With out	
Assisted	8	5	13
Not Assisted	7	21	28
	15	26	41

$$X^2 = \frac{41(7 \times 5 - 8 \times 21)^2}{15 \times 26 \times 23 \times 13} = \frac{41(35 - 168)^2}{116610} = \frac{725249}{116610} = \underline{6.2} \quad \text{Significant}$$

Summary : This result confirms the anticipated relationship between the award of grants and evidence of a formal and assessable element of training

Test 79 : Location (Property)/ Previous Training

	With	With -out	
Property Priority	9	5	14
Other Priority	6	21	27
	15	26	41

$$X^2 = \frac{41(9 \times 21 - 5 \times 6)^2}{15 \times 26 \times 27 \times 14} = \frac{41(189 - 30)^2}{147420} = \frac{1036521}{147420} = 7.03 \text{ Significant}$$

Summary : this test establishes a significant relationship between the location of a business by availability of property or site and the previous training of the proprietor with a much higher proportion with training taking the decision on this basis.

Test 115 : Group selling more than 20% outwith Scotland/ Previous Training

	With	With -out	
>20% in rem. U.K.	7	4	11
Remainder	8	22	30
	15	26	41

$$X^2 = \frac{41(7 \times 22 - 4 \times 8)^2}{15 \times 26 \times 30 \times 11} = \frac{41(154-32)^2}{128700} = \frac{610244}{128700} = \underline{4.74} \quad \text{Significant}$$

Summary : approximately half of the proprietors who have previous training attain 20% or more of their sales outwith Scotland and in the remainder of the U.K. compared to 1 in 6 of the proprietors without training.

B. Indicators

Test 11 : Development/ Training

	expand	stat. contr.	
With Training	12	3	15
Without Training	12	8	20
	24	11	35

$$X^2 = \frac{35(12 \times 8 - 3 \times 12)^2}{24 \times 11 \times 20 \times 15} = \frac{35(96-36)^2}{79200} = \frac{126000}{79200} = \underline{1.59}$$

Summary : There is sufficient difference between expected and observed frequencies to suggest that in a larger survey a significant result might be obtained.

Previous Training (Cont.)

B. Indicators (Cont.)

Test 87 : Location (Environment) / Previous Training

	with	with -out	
Environment Priority	5	4	9
Other Priority	10	22	32
	15	26	41

$$X^2 = \frac{41(5 \times 22 - 4 \times 10)^2}{15 \times 26 \times 32 \times 9} = \frac{41(70)^2}{112320} = \frac{200900}{112320} = 1.79$$

Summary : this test suggests that in a larger sample it is possible that the tendency for proprietors with previous training to be more likely to locate their business by environment as one of the major options could be confirmed.

C. Negative Results

Test 7 : Training / Business Organisation

	SP & P	C	
With Training	13	2	15
Without Training	22	4	26
	35	6	41

$X^2 = 0.03$

Test 8 : Training / Volume of Business

	< 11	>11	
With Training	10	5	15
Without Training	14	9	23
	24	14	38

$X^2 = 0.13$

Test 71 : Location (Home Area) / Previous Training

	With	With -out	
Home Area Priority	9	16	25
Other Priorities	6	10	16
	15	26	41

$X^2 = 0.01$

Test 95 : Location (Market) / Previous Training

	With	With -out	
Market Priority	3	4	7
Other Priority	12	22	34
	15	26	41

$X^2 = 0.14$

Test 101 : Original Objectives / Previous Training

	With	With -out	
Changed Objectives	10	9	19
Unchanged Objectives	7	13	20
	17	22	39

$X^2 = 1.23$

Previous Training (Cont.)

C. Negative Results

Test 127 : Development over last 3 years/ Previous Training

	With	Without	
Static	3	4	7
Expand	9	14	23
	12	18	30

$X^2 = 0.03$

Test 133 : Development estimated over next 3 years/ Previous Training

	With	Without	
Static	4	6	10
Expand	14	10	24
	18	16	34

$X^2 = 0.95$

Test 145 : Age of Proprietor / Previous Training

	30-40	43-53	
With Training	4	8	12
Without Training	8	8	16
	12	16	28

$X^2 = 0.78$

Test 151 : Age of Proprietor at establishment/ Previous Training

	< 36	> 36	
With Previous Tr.	13	6	19
Without Previous Tr.	12	11	23
	25	17	42

$X^2 = 1.14$

Test 109 :>50% Own Retail, Retail / Previous Training

	With	Without	
Retailers	10	13	23
Own Retail	8	6	14
	18	19	37

$X^2 = 0.63$

Test 121 :>10% for Export / Previous Training

	With	Without	
>10% export	4	8	12
Remainder	11	18	29
	15	26	41

$X^2 = 0.08$

Test 155 : Employment / Previous Training

	With	Without	
Employing	8	12	20
Not Employing	11	10	21
	19	22	41

$$X^2 = \frac{41(8 \times 10 - 12 \times 11)^2}{19 \times 22 \times 21 \times 20} = \frac{41(2704)}{175560} = \frac{110864}{175560} = \underline{0.63} \text{ Negative}$$

Series of Tests relating to Previous Craft Experience

Tests related to Previous Craft Experience

A. Significant Results

Test 12 : Previous Craft Experience/ Business Organisation

	SP & P	C	
With P.C. Experience	22	1	23
Without P.C. Exp.	13	5	18
	35	6	41

$$X^2 = \frac{41(22 \times 5 - 13 \times 1)^2}{35 \times 6 \times 18 \times 23} = \frac{41(110 - 13)^2}{86940} = \frac{385769}{86940} = \underline{4.43} \text{ Significant}$$

Summary : there is evidence to suggest that previous craft experience of the proprietor has a significant effect on the 'shape' of the business with a much higher proportion of those with training opting for the sole proprietor or partnership form of organisation.

Test 110 : Retailers ($\overset{>}{}$50%), Own Retail ($\overset{>}{}$50%)/ Previous Craft Experience

	With	With -out	
>50% to retailers	10	13	23
>50% to own retail	11	3	14
	21	16	37

$$X^2 = \frac{37(10 \times 3 - 13 \times 11)^2}{21 \times 16 \times 14 \times 23} = \frac{37(30-143)^2}{108192} = \frac{472453}{108192} = \underline{4.37} \text{ Significant}$$

Summary : This test shows that the group with previous craft experience divide more or less equally between those distributing more than 50% of their product to retailers or more than 50% through their own retail outlet. This is in contrast to the group without previous craft experience where 3 out of every 4 distribute more than 50% of their product through retailers.

Test 152 : Age of Proprietor at business establishment date / Previous craft experience

	< 36	> 36	
With prev.cr.exp.	11	12	23
Without	14	5	19
	25	17	42

$$X^2 = \frac{42(11 \times 5 - 12 \times 14)^2}{25 \times 17 \times 19 \times 23} = \frac{42(55-168)^2}{185725} = \frac{536298}{185725} = \underline{2.88} \text{ 1 tail significa}$$

Summary : it had been anticipated that the majority of the older age-group of proprietors would have had some previous craft experience and that there would be a smaller proprtion in the younger age-group. However, it had not been anticipated that the majorities would be reversed.

Previous Craft Experience (Cont.)

B. Indicator

Test 128 : Development over previous 3 years/ Previous Craft Experience

	With	With -out	
Static	6	1	7
Expand	13	10	23
	19	11	30

$$X^2 = \frac{30(6 \times 10 - 1 \times 13)^2}{19 \times 11 \times 23 \times 7} = \frac{30(60-13)^2}{33649} = \frac{66270}{33649} = 1.97$$

Summary : This test shows that of the businesses where the proprietors have previous craft experience 2 out of 3 had expanded compared to 10 out of 11 where the proprietors do not have that experience. In a larger survey, this test might prove to be significant which would certainly raise important questions regarding the attitude of proprietors

C. Negative Results

Test 15 : Previous Craft Experience / Volume of Business

	< 11	> 11	
With P.C. Experience	13	7	20
Without P.C. Experience	11	7	18
	24	14	38

$X^2 = 0.06$

Test 88 : Location (Environment) / Previous Craft Experience

	With	With -out	
Environment Priority	4	5	9
Other Priority	19	13	32
	23	18	41

$X^2 = 0.64$

Test 72 : Location (Home Area) / Previous Craft Experience

	With	With -out	
Home Area Priority	14	11	25
Other Priorities	9	7	16
	23	18	41

$X^2 = 0.0002$

Test 80 : Location (Property/Site)/ Previous Craft Experience

	With	With -out	
Property Priority	8	6	14
Other Priority	15	12	27
	23	18	41

$X^2 = 0.009$

Previous Craft Experience (Cont.)

C. Negative Results (Continued)

Test 96 : Location (Market) / Previous Craft Experience

	With	Without	
Market Priority	4	3	7
Other Priority	19	15	34
	23	18	41

$X^2 = 0.004$

Test 102 : Original Objectives / Previous Craft Experience

	With	Without	
Changed Objectives	12	7	19
Unchanged Objectives	10	10	20
	22	17	39

$X^2 = 0.69$

Test 116 :>20% outwith Scotland / Previous Craft Experience

	With	Without	
>20% in remainder U.K.	5	6	11
Remainder	18	12	30
	23	18	41

$X^2 = 0.69$

Test 122 :>10% for Export / Previous Craft Experience

	With	Without	
>10% export	7	5	12
Remainder	16	13	29
	23	18	41

$X^2 = 0.03$

Test 134 : Development estimated over next 3 years/ Previous Craft Experience

	With	Without	
Static	7	3	10
Expand	15	9	24
	22	12	34

$X^2 = 0.17$

Test 146 : Age of Proprietor / Previous Craft Experience

	30-40	43-53	
With P.C. Exp	7	12	19
Without P.C. Exp	5	4	9
	12	16	28

$X^2 = 0.87$

Test 156 : Employment / Previous Craft Experience

	With	Without	
Employing	11	9	20
Not Employing	12	9	21
	23	18	41

$$X^2 = \frac{41(11 \times 9 - 9 \times 12)^2}{23 \times 18 \times 21 \times 20} = \frac{41(81)}{173880} = \frac{3321}{173880} = \underline{0.019} \text{ Negative}$$

Previous Craft Experience (Cont.)

C. Negative Results (Continued)

Test 163 : Assistance / Previous Craft Experience

	With	With -out	
Assisted	6	7	13
Not Assisted	17	11	28
	23	18	41

$$X^2 = \frac{41(17 \times 7 - 6 \times 11)^2}{23 \times 18 \times 28 \times 13} = \frac{41(119 - 66)^2}{150696} = \frac{115169}{150696} = \underline{0.76}$$

Series of Tests related to the Previous Business Experience of the Proprietor.

Previous Business Experience

A. Significant Results

Test 17 : Previous Business Experience / Volume of Business

	< 11	>11	
With P.B. Experience	7	8	15
Without P.B. Experience	17	6	23
	24	14	38

$$X^2 = \frac{38(7 \times 6 - 8 \times 17)^2}{24 \times 14 \times 23 \times 15} = \frac{38/42 - 136)^2}{115920} = \frac{335768}{115920} = \underline{2.90} \text{ 1 tail signif.}$$

Summary : it had been anticipated that the proprietors with previous business experience might well have attained the higher volumes of business. The above test provides support on a 1 tail basis for that view.

B. Indicators

Test 81 : Location (Property) / Previous Business Experience

	With	Without	
Property Priority	3	11	14
Other Priority	14	13	27
	17	24	41

$$X^2 = \frac{41(3 \times 13 - 11 \times 14)^2}{17 \times 24 \times 27 \times 14} = \frac{41(39 - 154)^2}{154224} = \frac{542225}{154224} = 3.52$$

Summary : The result of this test falls just below the level of a significant result. While no positive claim can be made on this basis it is nevertheless reasonable to assume that in a larger survey this result might well be positive.

Test 135 : Anticipated development(3 years) / Previous Business Experience

	With	Without	
Static	2	8	10
Expand	11	13	24
	13	21	34

$$X^2 = \frac{34(2 \times 13 - 11 \times 8)^2}{13 \times 21 \times 24 \times 10} = \frac{34(26 - 88)^2}{65520} = \frac{130696}{65520} = 1.99$$

Summary : a substantially higher proportion of proprietors with previous business experience had the confidence to estimate expansion over the next three years compared to the proprietors without that experience. This coupled with the result of test 129 suggests that in a larger survey the element of previous business expereince could be significant

Previous Business Experience (Cont.)

Test 123 : Businesses exporting>10% / Previous Business Experience

	With	With -out	
Exporting>10%	7	5	12
Others	10	19	29
	17	24	41

$$\chi^2 = \frac{41(7 \times 19 - 5 \times 10)^2}{17 \times 24 \times 29 \times 12} = \frac{41(133-50)^2}{111984} = \frac{282449}{111984} = 1.99$$

Summary : this test only provides an indicator to the effect that in a larger survey it might be possible to establish a relationship between business experience and exporting. This test suggests that 4 out of 10 proprietors with previous business experience export 10% or more of their product whereas only 2 out of 10 of the proprietors without previous business experience export.

Test 129 : Development over previous 3 years/Previous Business Experience

	With	With -out	
Static	2	5	7
Expand	13	10	23
	15	15	30

$$\chi^2 = \frac{30(2 \times 10 - 5 \times 13)^2}{15 \times 15 \times 23 \times 7} = \frac{30(20-65)^2}{36225} = \frac{60750}{36225} = 1.68$$

Summary : this test indicates that a larger proportion of proprietors with previous business experience achieved expansion than those without that experience. In a larger survey, this indicator might prove to be significant.

C. Negative Results

Test 16 : Previous Business Experience / Business Organisation

	SP & P	C	
With P.B. Experience	14	3	17
Without P.B. Experience	21	3	24
	35	6	41

$\chi^2 = 0.21$

Test 20 : Previous Business Experience / Development

	Expand	Stat. Contr.	
With P.B. Experience	11	3	14
Without P.B. Experience	13	8	21
	24	11	35

$\chi^2 = 1.08$

Test 73 : Location (Home Area) / Previous Business Experience

	With	With -out	
Home Area Priority	11	14	25
Other Priorities	6	10	16
	17	24	41

$\chi^2 = 0.17$

Previous Business Experience (Cont.)

C. Negative Results (Cont.)

Test 89 : Location (Environment) / Previous Business Experience

	With	With -out	
Environment Priority	3	6	9
Other Priority	14	18	32
	17	24	41

$X^2 = 0.31$

Test 97 : Location (Market) / Previous Business Experience

	With	With -out	
Market Priority	4	3	7
Other Priority	13	21	34
	17	24	41

$X^2 = 0.86$

Test 103 : Original Objectives / Previous Business Experience

	With	With -out	
Changed Objectives	8	11	19
Unchanged Objectives	9	11	20
	17	22	39

$X^2 = 0.03$

Test 111 :>50% own Retail, Retail / Previous Business Experience

	With	With -out	
Retailers	9	14	23
Own Retail	6	8	14
	15	22	37

$X^2 = 0.05$

Test 117 :>20% outside Scotland / Previous Business Experience

	With	With - out	
>20% in remainder U.K.	4	7	11
Remainder	13	17	30
	17	24	41

$X^2 = 0.16$

Test 153 : Age of Proprietor at establishment /Previous Business Experience

	< 36	> 36	
With Previous Bus.Exp.	10	8	18
Without P.B. Exp	15	9	24
	25	17	42

$X^2 = 0.21$

Test 147 : Age of Proprietor / Previous Business Experience

	30-40	43-53	
With P.B. Exp	6	5	11
Without P.B. Exp	6	11	17
	12	16	28

$X^2 = 1.01$

Previous Business Experience (Cont.)

C. Negative Results (Cont.)

Test 164 : Assistance / Previous Business Experience

	With	With -out	
Assisted	5	8	13
Not Assisted	12	16	28
	17	24	41

$$X^2 = \frac{41(5 \times 16 - 12 \times 8)^2}{17 \times 24 \times 28 \times 13} = \frac{41(80 - 96)^2}{148512} = \frac{10496}{148512} = \underline{0.07}$$

Test 158 : Employment / Previous Business Experience

	With	With -out	
Employment	10	10	20
Not Employing	7	14	21
	17	24	41

$$X^2 = \frac{41(10 \times 14 - 10 \times 7)^2}{17 \times 24 \times 21 \times 20} = \frac{41(\ 4900)}{171360} = \frac{200900}{171360} = \underline{1.17} \text{ Negative}$$

Series of Tests relating to the Previous Craft and Business Experience of the Proprietor.

Previous Craft and Business Experience

A. Significant Result

Test 21 : Previous Craft & Business Experience/ Business Organisation

	SP & P	C	
With PC & B Experience	12	0	12
Without PC & B Experience	23	6	29
	35	6	41

$$X^2 = \frac{41(12 \times 6 - 0 \times 23)^2}{35 \times 6 \times 29 \times 12} = \frac{41(72)^2}{73080} = \frac{212544}{73080} = \underline{2.91} \text{ 1 tail signif.}$$

Summary : it had also been anticipated that proprietors with both previous craft and business experience might well opt for the more independent form of business organisation. This test on a 1 tail basis supports that view.

B. Indicators

Test 118 : Group selling more than 20% outwith Scotland/ Previous craft and business experience

	With	With -out	
>20% in rem. U.K.	1	10	11
Remainder	11	19	30
	12	29	41

$$X^2 = \frac{41(1 \times 19 - 10 \times 11)^2}{12 \times 29 \times 30 \times 11} = \frac{41(19-110)^2}{114840} = \frac{339521}{114840} = \underline{2.96}$$

Summary : while this test would provide a positive result on a 1 tail basis such a claim cannot be made - indeed the result is virtually opposite to expectation.- because one would have expected those proprietors with previous craft and business experience to be the more likely to push sales well beyond 'local' areas.

Test 82 : Location (Property) / Previous Craft and Business Experience

	With	With -out	
Property Priority	2	12	14
Other Priority	10	17	27
	12	29	41

$$X^2 = \frac{41(2 \times 17 - 12 \times 10)^2}{12 \times 29 \times 27 \times 14} = \frac{41(34 - 120)^2}{131544} = \frac{303236}{131544} = 2.31$$

Summary : Although not a significant result possibly due to the size of the survey there is an indication that the property priority is not important to the proprietors with previous craft and business experience, who, in the majority have other priorities.

Previous Craft and Business Experience (Cont.)

C. Negative Results

Test 24 : Previous Craft and Business Experience/ Volume of Business

	< 11	> 11	
With P.C. & B. Exper.	6	4	10
Without P.C. & B. Exper.	18	10	28
	24	14	38

$X^2 = 0.06$

Test 25 : Previous Craft and Business Experience/ Development

	Expand	Stat. Contr	
With P.C. & B. Exper.	9	2	11
Without P.C.&.B. Exper.	15	9	24
	24	11	35

$X^2 = 1.31$

Test 74 : Location (Home Area) / Previous Craft & Business Experience

	With	With -out	
Home Area Priority	8	17	25
Other Priorities	4	12	16
	12	29	41

$X^2 = 0.23$

Test 90 : Location (Environment) / Previous Craft and Business Experience

	With	With -out	
Environment Priority	2	7	9
Other Priority	10	22	32
	12	29	41

$X^2 = 0.28$

Test 98 : Location (Market) / Previous Craft and Business Experience

	With	With -out	
Market Priority	2	5	7
Other Priority	10	24	34
	12	29	41

$X^2 = 0.002$

Test 104 : Original Objectives / Previous Craft and Business Experience

	With	With -out	
Changed Objectives	7	12	19
Unchanged Objectives	5	15	20
	12	27	39

$X^2 = 0.64$

Test 112 :>50% own Retail, Retail / Previous Craft & Business Experience

	With	With -out	
Retailers	5	18	23
Own Retail	5	9	14
	10	27	37

$X^2 = 0.86$

C. Negative Results (Cont.)

Test 124 : >10% for Export / Previous Craft and Business Experience

	With	Without	
>10% export	5	7	12
Remainder	7	22	29
	12	29	41

$X^2 = 1.26$

Test 130 : Development over last 3 years/ Previous Craft and Business Experience

	With	Without	
Static	2	5	7
Expand	8	15	23
	10	20	30

$X^2 = 0.09$

Test 136 : Development estimated over next 3 years/ Previous Craft and Business Experience

	With	Without	
Static	3	7	10
Expand	9	15	24
	12	22	34

$X^2 = 0.17$

Test 148 : Age of Proprietor / Previous Craft & Business Experience

	30-40	43-53	
With P.C. & B Exp	5	4	9
Without P.C. & B.Exp	7	12	19
	12	16	28

$X^2 = 0.87$

Test 154 : Age of Proprietor at establishment /Previous Craft & Business Experience

	≤ 36	>36	
With P.C. & B Exp	7	6	13
Without P.C. & B Exp	18	11	29
	25	17	42

$X^2 = 0.25$

Series of Tests relating to the Previous Training and Experience of the Proprietors.

Previous Training and Experience

C. Negative Results

Test 63 : Training and Experience / Business Organisation

	ST & P.	C	
Without Tr.or Exp.	6	0	6
With Tr. or Exp.	29	6	35
	35	6	41

$X^2 = 1.21$

Test 66 : Training and Experience / Volume of Business

	$\leqslant 11$	>11	
Without TR.or Exp.	5	1	6
With Tr. or Exp.	19	13	32
	24	14	38

$X^2 = 1.25$

Series of Tests relating to the Age of the Proprietor

B. Indicators

Test 143 : Age of Proprietor / Business organisation

	30-40	43-53	
Sole Prop.& Part.	12	12	24
Company	0	4	4
	12	16	28

$$X^2 = \frac{28(12 \times 4 - 12 \times 0)^2}{12 \times 16 \times 4 \times 24} = \frac{28(2304)}{18432} = \frac{64512}{18432} = 3.50$$

Summary : This test shows that at the time of the survey the sole proprietor and partnership forms of organisation contained equal numbers from the two main age-groups whereas the company form of organisation was made up exclusively of proprietors in the older age-group. While it had been anticipated that the company structure would probably be created by the older age group which would justify a claim for significance on a 1 tail basis such a claim cannot be substantiated because their age at the date of establishment showed a more even split between the age groups.

C. Negative Results

Test 144 : Age of Proprietor / Volume of Business

	30-40	43-53	
Volume < 11	7	8	15
Volume > 11	5	6	11
	12	14	26

$X^2 = 0.004$

Test 145 : Age of Proprietor / Previous Training

	30-40	43-53	
With Training	4	8	12
Without Training	8	8	16
	12	16	28

$X^2 = 0.78$

Test 146 : Age of Proprietor / Previous Craft Experience

	30-40	43-53	
With P.C. Exp	7	12	19
Without P.C. Exp	5	4	9
	12	16	28

$X^2 = 0.87$

Test 147 : Age of Proprietor / Previous Business Experience

	30-40	43-53	
With P.B. Exp	6	5	11
Without P.B. Exp	6	11	17
	12	16	28

$X^2 = 1.01$

Test 148 : Age of Proprietor / Previous Craft & Business Experience

	30-40	43-53	
With P.C. & B Exp	5	4	9
Without P.C. & B.Exp	7	12	19
	12	16	28

$X^2 = 0.87$

Age of Proprietor at establishment

A. Significant Results

Test 152 : Age of Proprietor at business establishment date / Previous craft experience

	< 36	> 36	
With prev.cr.exp.	11	12	23
Without	14	5	19
	25	17	42

$$X^2 = \frac{42(11 \times 5 - 12 \times 14)^2}{25 \times 17 \times 19 \times 23} = \frac{42(55-168)^2}{185725} = \frac{536298}{185725} = \underline{2.88}$$ 1 tail significa

Summary : it had been anticipated that the majority of the older age-group of proprietors would have had some previous craft experience and that there would be a smaller proportion in the younger age-group. However, it had not been anticipated that the majorities would be reversed.

C. Negative Results

Test 149 : Age of Proprietor at establishment/ Business Organisation

	< 36	> 36	
Sole Prop. & Part.	23	14	37
Company	2	3	5
	25	17	42

$X^2 = 0.90$

Test 150 : Age of Proprietor at establishment/ Volume of Business

	< 36	> 36	
Volume 1	16	9	25
Volume	8	5	13
	24	14	28

$X^2 = 0.02$

Test 151 : Age of Proprietor at establishment/ Previous Training

	< 36	> 36	
With Previous Tr.	13	6	19
Without Previous Tr.	12	11	23
	25	17	42

$X^2 = 1.14$

Test 153 : Age of Proprietor at establishment /Previous Business Experience

	< 36	> 36	
With Previous Bus.Exp.	10	8	18
Without P.B. Exp	15	9	24
	25	17	42

$X^2 = 0.21$

Test 154 : Age of Proprietor at establishment /Previous Craft & Business Experience

	< 36	> 36	
With P.C. & B Exp	7	6	13
Without P.C. & B Exp	18	11	29
	25	17	42

$X^2 = 0.25$

<u>Series of Tests relating to the reasons for Location of the Business.</u>

Location (Home Area)

A. Significant Results

Test 67 : Location / Business Organisation

	SP & P	C	
Home Area Priority	24	1	25
Other Priorities	11	5	16
	35	6	41

$$X^2 = \frac{41(24 \times 5 - 1 \times 11)^2}{35 \times 6 \times 16 \times 25} = \frac{41(120 - 11)^2}{84000} = \frac{487121}{84000} = 5.80 \text{ Significant}$$

Summary : this test shows that there is a significant difference between observed and expected frequencies, with proprietors opting for sole proprietor and partnership business structures tending to set up the business in the home area.

C. Negative Results

Test 70 : Location (Home Area)/ Volume of Business

	≤ 11	> 11	
Home Area Priority	16	7	23
Other Priorities	8	7	15
	24	14	38

$X^2 = 0.76$

Test 71 : Location (Home Area) / Previous Training

	With	With -out	
Home Area Priority	9	16	25
Other Priorities	6	10	16
	15	26	41

$X^2 = 0.01$

Test 72 : Location (Home Area) / Previous Craft Experience

	With	With -out	
Home Area Priority	14	11	25
Other Priorities	9	7	16
	23	18	41

$X^2 = 0.0002$

Test 73 : Location (Home Area) / Previous Business Experience

	With	With -out	
Home Area Priority	11	14	25
Other Priorities	6	10	16
	17	24	41

$X^2 = 0.17$

Test 74 : Location (Home Area) / Previous Craft & Business Experience

	With	With -out	
Home Area Priority	8	17	25
Other Priorities	4	12	16
	12	29	41

$X^2 = 0.23$

Location (Property)

A. Significant Results

Test 79 : Location (Property)/ Previous Training

	With	With -out	
Property Priority	9	5	14
Other Priority	6	21	27
	15	26	41

$$X^2 = \frac{41(9 \times 21 - 5 \times 6)^2}{15 \times 26 \times 27 \times 14} = \frac{41(189 - 30)^2}{147420} = \frac{1036521}{147420} = 7.03 \text{ Significant}$$

Summary : this test establishes a significant relationship between the location of a business by availability of property or site and the previous training of the proprietor with a much higher proportion with training taking the decision on this basis.

B. Indicators

Test 81 : Location (Property) / Previous Business Experience

	With	With -out	
Property Priority	3	11	14
Other Priority	14	13	27
	17	24	41

$$X^2 = \frac{41(3 \times 13 - 11 \times 14)^2}{17 \times 24 \times 27 \times 14} = \frac{41(39 - 154)^2}{154224} = \frac{542225}{154224} = 3.52$$

Summary : The result of this test falls just below the level of a significant result. While no positive claim can be made on this basis it is nevertheless reasonable to assume that in a larger survey this result might well be positive.

Test 82 : Location (Property) / Previous Craft and Business Experience

	With	With -out	
Property Priority	2	12	14
Other Priority	10	17	27
	12	29	41

$$X^2 = \frac{41(2 \times 17 - 12 \times 10)^2}{12 \times 29 \times 27 \times 14} = \frac{41(34 - 120)^2}{131544} = \frac{303236}{131544} = 2.31$$

Summary : Although not a significant result possibly due to the size of the survey there is an indication that the property priority is not important to the proprietors with previous craft and business experience, who, in the majority have other priorities.

Location (Property) (Cont.)

C. Negative Results

Test 75 : Location (Property/Site)/ Business Organisation

	SP & P	C	
Property Priority	12	2	14
Other Priority	23	4	27
	35	6	41

$X^2 = 0.002$

Test 78 : Location (Property/Site)/ Volume of Business

	< 11	>11	
Property Priority	9	4	13
Other Priority	15	10	25
	24	14	38

$X^2 = 0.31$

Test 80 : Location (Property/Site)/ Previous Craft Experience

	With	With -out	
Property Priority	8	6	14
Other Priority	15	12	27
	23	18	41

$X^2 = 0.009$

Location (Environment)

B. Indicators

Test 83 : Location (Environment) / Business Organisation

	SP & P	C	
Environment Prior.	9	0	9
Other Priority	26	6	32
	35	6	41

$$X^2 = \frac{41(9 \times 6 - 0 \times 26)^2}{35 \times 6 \times 32 \times 9} = \frac{41(54)^2}{60480} = \frac{119556}{60480} = 1.98$$

Summary : As the result is not significant it can only be taken as an indicator that in a larger survey it is possible that environment priority among the sole proprietors and partners might be strengthened

Test 87 : Location (Environment) / Previous Training

	with	with -out	
Environment Priority	5	4	9
Other Priority	10	22	32
	15	26	41

$$X^2 = \frac{41(5 \times 22 - 4 \times 10)^2}{15 \times 26 \times 32 \times 9} = \frac{41(70)^2}{112320} = \frac{200900}{112320} = 1.79$$

Summary : this test indicates that in a larger sample it is possible that the tendency for proprietors with previous training to be more likely to locate their business by environment as one of the major options could be confirmed.

C. Negative Results

Test 86 : Location (Environment) / Volume of Business

	< 11	>11	
Environment Priority	6	2	8
Other Priority	18	12	30
	24	14	38

$X^2 = 0.61$

Test 88 : Location (Environment) / Previous Craft Experience

	With	With -out	
Environment Priority	4	5	9
Other Priority	19	13	32
	23	18	41

$X^2 = 0.64$

Test 89 : Location (Environment) / Previous Business Experience

	With	With -out	
Environment Priority	3	6	9
Other Priority	14	18	32
	17	24	41

$X^2 = 0.31$

Test 90 : Location (Environment) / Previous Craft and Business Experience

	With	With -out	
Environment Priority	2	7	9
Other Priority	10	22	32
	12	29	41

$X^2 = 0.28$

Location (Market)

B. Indicators

Test 94 : Location (Market) / Volume of Business

	< 11	> 11	
Market Priority	3	4	7
Other Priority	21	10	31
	24	14	38

$$X^2 = \frac{38(3 \times 10 - 4 \times 21)^2}{24 \times 14 \times 31 \times 7} = \frac{38(30-84)^2}{72912} = \frac{110808}{72912} = 1.52$$

Summary : Once again, no firm conclusions can be drawn from this test but there is an indication that proprietors who locate their business primarily on the market priority achieve a much higher proportion of their number in the larger volumes of business as opposed to the other businesses with different priorities.

C. Negative Results

Test 91 : Location (Market) / Business Organisation

	SP & P	C	
Market Priority	6	1	7
Other Priority	29	5	34
	35	6	41

$X^3 = 0.0008$

Test 95 : Location (**Market**) / Previous Training

	With	With -out	
Market Priority	3	4	7
Other Priority	12	22	34
	15	26	41

$X^2 = 0.14$

Test 96 : Location (Market) / Previous Craft Experience

	With	With -out	
Market Priority	4	3	7
Other Priority	19	15	34
	23	18	41

$X^2 = 0.004$

Test 97 : Location (Market) / Previous Business Experience

	With	With -out	
Market Priority	4	3	7
Other Priority	13	21	34
	17	24	41

$X^2 = 0.86$

Test 98 : Location (Market) / Previous Craft and Business Experience

	With	With -out	
Market Priority	2	5	7
Other Priority	10	24	34
	12	29	41

$X^2 = 0.002$

Series of Tests relating to the groups with changed or unchanged objectives.

Objectives

A. Significant Results

Test 99 : Objectives / Business Organisation

	SP & P	C	
Changed Objectives	18	1	19
Unchanged Objectives	15	5	20
	33	6	39

$$X^2 = \frac{39(18 \times 5 - 1 \times 15)^2}{33 \times 6 \times 20 \times 19} = \frac{39(90-15)^2}{75240} = \frac{219375}{75240} = \underline{2.92}$$ 1 tail significant

Summary : As there is considerably greater freedom of action open to sole proprietors and partners compared to companies, it had been anticipated that the former would demonstrate more flexibility in terms of changes in objectives. This test supports that view.

C. Negative Results

Test 100 : Original Objectives / Volume of Business

	< 11	> 11	
Changed Objectives	11	5	16
Unchanged Objectives	12	7	19
	23	12	35

$X^2 = 0.12$

Test 101 : Original Objectives / Previous Training

	With	Without	
Changed Objectives	10	9	19
Unchanged Objectives	7	13	20
	17	22	39

$X^2 = 1.23$

Test 102 : Original Objectives / Previous Craft Experience

	With	Without	
Changed Objectives	12	7	19
Unchanged Objectives	10	10	20
	22	17	39

$X^2 = 0.69$

Test 103 : Original Objectives / Previous Business Experience

	With	Without	
Changed Objectives	8	11	19
Unchanged Objectives	9	11	20
	17	22	39

$X^2 = 0.03$

Test 104 : Original Objectives / Previous Craft and Business Experience

	With	Without	
Changed Objectives	7	12	19
Unchanged Objectives	5	15	20
	12	27	39

$X^2 = 0.64$

Series of Tests relating to the groups distributing 50% or more of their product through retailers and 50% or more of their product through their own retail outlet.

$\geq$50% retailers/$\geq$50% own retail

A. Significant Results

Test 110 : Retailers ($\geq$50%), Own Retail ($\geq$50%)/ Previous Craft Experience

	With	With -out	
>50% to retailers	10	13	23
>50% to own retail	11	3	14
	21	16	37

$$X^2 = \frac{37(10 \times 3 - 13 \times 11)^2}{21 \times 16 \times 14 \times 23} = \frac{37(30-143)^2}{108192} = \frac{472453}{108192} = \underline{4.37} \text{ Significant}$$

Summary : This test shows that the group with previous craft experience divide more or less equally between those distributing more than 50% of their product to retailers or more than 50% through their own retail outlet. This is in contrast to the group without previous craft experience where 3 out of every 4 distribute more than 50% of their product through retailers.

B. Indicators

Test 108 : Retailers ($\geq$50%), Own Retail ($\geq$50%) / Volume of Business

	<11	>11	
>50% to retailers	10	6	16
>50% to own retail	11	2	13
	21	8	29

$$X^2 = \frac{29(10 \times 2 - 6 \times 11)^2}{21 \times 8 \times 13 \times 16} = \frac{29(20 - 66)^2}{34944} = \frac{61364}{34944} = 1.76$$

Summary : as the result of this test is not significant it can only provide an indication that in the lower volumes of business (<11) there is an almost even split between those distributing>50% to other retailers and those distributing>50% through their own shop compared to the higher volumes of business where 3 out of 4 distribute more than 50% through other retailers.

C. Negative Results

Test 105 :>50% Own Retail, Retail / Business Organisation

	SP & P	C	
Retailers	19	4	23
Own Retail	13	1	14
	32	5	37

$X^2 = 0.78$

Test 109 :>50% Own Retail, Retail / Previous Training

	With	With -out	
Retailers	10	13	23
Own Retail	8	6	14
	18	19	37

$X^2 = 0.63$

$>$ 50% retailers/ $>$ 50% own retail (Cont.)

C. Negative Results (Cont.)

Test 111 :>50% own Retail, Retail / Previous Business Experience

	With	With -out	
Retailers	9	14	23
Own Retail	6	8	14
	15	22	37

$X^2 = 0.05$

Test 112 :>50% own Retail, Retail / Previous Craft & Business Experience

	With	With -out	
Retailers	5	18	23
Own Retail	5	9	14
	10	27	37

$X^2 = 0.86$

Test 159 : Employment / Sales Channels (DIRect or INDirect)

	DIR	IND	
Employing	12	8	20
Not Employing	16	5	21
	28	13	41

$$X^2 = \frac{41(12 \times 5 - 16 \times 8)^2}{28 \times 13 \times 21 \times 20} = \frac{41(4624)}{152880} = \frac{189584}{152880} = \underline{1.24} \text{ Negative}$$

<u>**Series of Tests relating to Businesses Exporting more than 10% of their product.**</u>

Businesses Exporting more than 10%

A. Significant Results

Test 119 : Businesses exporting >10% / Business Organisation

	SP & P	C	
Exporting 10%-	8	4	12
Others	27	2	29
	35	6	41

$$\chi^2 = \frac{41(8 \times 2 - 4 \times 27)^2}{35 \times 6 \times 29 \times 12} = \frac{41(16 - 108)^2}{73080} = \frac{347024}{73080} = \underline{4.75} \text{ Significant}$$

Summary : two out of three companies achieve 10% or more as exports compared to 1 out of 4 of the sole proprietors and partnerships. This tests should be substantiated by a similar test related to volume of business.

Test 120 : Businesses exporting >10%- / Volume of Business

	<11	>11	
Exporting >10%	4	7	11
Others	20	6	26
	24	13	37

$$\chi^2 = \frac{37(4 \times 6 - 7 \times 20)^2}{24 \times 13 \times 26 \times 11} = \frac{37(24 - 140)^2}{89232} = \frac{497872}{89232} = \underline{5.58} \text{ Significant}$$

Summary : One out of every 6 businesses with a turnover of up to (& incl) £10,000 achieves 10% or more exports whereas more than half of the businesses with a turnover of £11,000 or over achieve that level.

B. Indicators

Test 123 : Businesses exporting >10% / Previous Business Experience

	With	With -out	
Exporting >10%	7	5	12
Others	10	19	29
	17	24	41

$$\chi^2 = \frac{41(7 \times 19 - 5 \times 10)^2}{17 \times 24 \times 29 \times 12} = \frac{41(133-50)^2}{141984} = \frac{282449}{141984} = 1.99$$

Summary : this test only provides an indicator to the effect that in a larger survey it might be possible to establish a relationship between business experience and exporting. This test suggests that 4 out of 10 proprietors with previous business experience export 10% or more of their product whereas only 2 out of 10 of the proprietors without previous business experience export.

Businesses Exporting more than 10%

C. Negative Results

Test 121 :>10% for Export / Previous Training

	With	Without	
>10% export	4	8	12
Remainder	11	18	29
	15	26	41

$X^2 = 0.08$

Test 122 :>10% for Export / Previous Craft Experience

	With	Without	
>10% export	7	5	12
Remainder	16	13	29
	23	18	41

$X^2 = 0.03$

Test 124 :>10% for Export / Previous Craft and Business Experience

	With	Without	
>10% export	5	7	12
Remainder	7	22	29
	12	29	41

$X^2 = 1.26$

Series of Tests relating to the group of Businesses selling more than 20% outwith Scotland and in the remainder of the U.K.

Businesses Selling $\geq$ 20% outside Scotland

A. Significant Results

Test 113 : Group selling more than 20% outside Scotland/ Business Organisation

	SP & P	C	
>20% in rem. U.K.	7	4	11
Remainder	28	2	30
	35	6	41

$$X^2 = \frac{41(2 \times 7 - 4 \times 28)^2}{35 \times 6 \times 30 \times 11} = \frac{41(14 - 112)^2}{69300} = \frac{393764}{69300} = \underline{5.68} \quad \text{Significant}$$

Summary : This test shows that of the sole proprietors and partners only 1 in 5 sells 20% or more outwith Scotland and in the remainder of the U.K. compared to 2 in 3 companies.

Test 115 : Group selling more than 20% outside Scotland/ Previous Training

	With	Without	
>20% in rem. U.K.	7	4	11
Remainder	8	22	30
	15	26	41

$$X^2 = \frac{41(7 \times 22 - 4 \times 8)^2}{15 \times 26 \times 30 \times 11} = \frac{41(154-32)^2}{128700} = \frac{610244}{128700} = \underline{4.74} \quad \text{Significant}$$

Summary : approximately half of the proprietors who have previous training attain 20% or more of their sales outwith Scotland and in the remainder of the U.K. compared to 1 in 6 of the proprietors without training.

B. Indicators

Test 118 : Group selling more than 20% outside Scotland/ Previous craft and business experience

	With	Without	
>20% in rem. U.K.	1	10	11
Remainder	11	19	30
	12	29	41

$$X^2 = \frac{41(1 \times 19 - 10 \times 11)^2}{12 \times 29 \times 30 \times 11} = \frac{41(19-110)^2}{114840} = \frac{339521}{114840} = \underline{2.96}$$

Summary : while this test would provide a positive result on a 1 tail basis such a claim cannot be made - indeed the result is virtually opposite to expectation.- because one would have expected those proprietors with previous craft and business experience to be the more likely to push sales well beyond 'local' areas.

Businesses Selling 20% outside Scotland

C. Negative Results

Test 114 :>20% outside Scotland / Volume of Business

	<11	>11	
>20% - in remainder U.K.	6	5	11
Remainder	18	9	27
	24	14	38

$X^2 = 0.49$

Test 116 :>20% outside Scotland / Previous Craft Experience

	With	With - out	
>20% in remainder U.K.	5	6	11
Remainder	18	12	30
	23	18	41

$X^2 = 0.69$

Test 117 :>20% outside Scotland / Previous Business Experience

	With	With - out	
>20% in remainder U.K.	4	7	11
Remainder	13	17	30
	17	24	41

$X^2 = 0.16$

Series of Tests relating to the Development of the Business over the Previous Three Years.

Development - Previous 3 years.

B. Indicators

Test 126 : Development over previous 3 years/ volume of business

	<11	>11	
Static	4	1	5
Expand	10	12	22
	14	13	27

$$X^2 = \frac{27(4 \times 12 - 1 \times 10)^2}{14 \times 13 \times 22 \times 5} = \frac{27(48-10)^2}{20020} = \frac{38988}{20020} = 1.95$$

Summary : This test provides an indication that in a larger survey evidence might be found to the effect that the greatest potential for expansion comes from the larger volume businesses

Test 128 : Development over previous 3 years/ Previous Craft Experience

	With	With -out	
Static	6	1	7
Expand	13	10	23
	19	11	30

$$X^2 = \frac{30(6 \times 10 - 1 \times 13)^2}{19 \times 11 \times 23 \times 7} = \frac{30(60-13)^2}{33649} = \frac{66270}{33649} = 1.97$$

Summary : This test shows that of the businesses where the proprietors have previous craft experience 2 out of 3 had expanded compared to 10 out of 11 where the proprietors do not have that experience. In a larger survey, this test might prove to be significant which would certainly raise important questions regarding the attitude of proprietors

Test 129 : Development over previous 3 years/Previous Business Experience

	With	With -out	
Static	2	5	7
Expand	13	10	23
	15	15	30

$$X^2 = \frac{30(2 \times 10 - 5 \times 13)^2}{15 \times 15 \times 23 \times 7} = \frac{30(20-65)^2}{36225} = \frac{60750}{36225} = 1.68$$

Summary : this test indicates that a larger proportion of proprietors with previous business experience achieved expansion than those without that experience. In a larger survey, this indicator might prove to be significant.

C. Negative Results

Test 20 : Previous Business Experience / Development

	Expand	Stat. Contr.	
With P.B. Experience	11	3	14
Without P.B. Experience	13	8	21
	24	11	35

$X^2 = 1.08$

Development - Previous 3 years (Cont.)

C. Negative Results (Cont.)

Test 25 : Previous Craft and Business Experience/ Development

	Expand	Stat. Contr	
With P.C. & B. Exper.	9	2	11
Without P.C.&.B. Exper.	15	9	24
	24	11	35

$X^2 = 1.31$

Test 125 : Development over last 3 years/ Business Organisation

	SP & P	C	
Static	6	1	7
Expand	18	5	23
	24	6	30

$X^2 = 0.19$

Test 127 : Development over last 3 years/ Previous Training

	With	With -out	
Static	3	4	7
Expand	9	14	23
	12	18	30

$X^2 = 0.03$

Test 130 : Development over last 3 years/ Previous Craft and Business Experience

	With	With -out	
Static	2	5	7
Expand	8	15	23
	10	20	30

$X^2 = 0.09$

Series of Tests relating to the Anticipated Development of the Business over the following Three Years.

Anticipated Development - following 3 years

B. Indicators

Test 6 : Development / Grants for assistance

	expand	stat. contr.	
Assisted	10	3	13
Not assisted	14	14	28
	24	17	41

$$X^2 = \frac{41(10 \times 14 - 3 \times 14)}{24 \times 17 \times 13 \times 28} = \frac{41(140-42)^2}{148512} = \frac{393764}{148512} = \underline{2.65}$$

Summary : It had been assumed that businesses which had been selected for the award of grants would be more confident about their development over the next three years than others. Although the result cannot be claimed to be significant on a one tail basis it would be reasonable, on a larger survey, to expect a significant result.

Test 135 : Anticipated development(3 years) / Previous Business Experience

	With	With -out	
Static	2	8	10
Expand	11	13	24
	13	21	34

$$X^2 = \frac{34(2 \times 13 - 11 \times 8)^2}{13 \times 21 \times 24 \times 10} = \frac{34(26 - 88)^2}{65520} = \frac{130696}{65520} = 1.99$$

Summary : a substantially higher proportion of proprietors with previous business experience had the confidence to estimate expansion over the next three years compared to the proprietors without that experience. This coupled with the result of test 129 suggests that in a larger survey the element of previous business expereince could be significant

Test 11 : Development/ Training

	expand	stat. contr.	
With Training	12	3	15
Without Training	12	8	20
	24	11	35

$$X^2 = \frac{35(12 \times 8 - 3 \times 12)^2}{24 \times 11 \times 20 \times 15} = \frac{35(96-36)^2}{79200} = \frac{126000}{79200} = \underline{1.59}$$

Summary : There is sufficient difference between expected and observed frequencies to suggest that in a larger survey a significant result might be obtained.

C. Negative Results

Test 136 : Development estimated over next 3 years/ Previous Craft and Business Experience

	With	With -out	
Static	3	7	10
Expand	9	15	24
	12	22	34

$X^2 = 0.17$

Anticipated Development - following 3 years (Cont.)

C. Negative Results (Cont.)

Test 134 : Development estimated over next 3 years/ Previous Craft Experience

	With	With -out	
Static	7	3	10
Expand	15	9	24
	22	12	34

$X^2 = 0.17$

Test 133 : Development estimated over next 3 years/ Previous Training

	With	With -out	
Static	4	6	10
Expand	14	10	24
	18	16	34

$X^2 = 0.95$

Test 132 : Development estimated over next 3 years/ Volume of Business

	<11	>11	
Static	5	2	7
Expand	17	7	24
	22	9	31

$X^2 = 0.0009$

Test 131 : Development estimated over next 3 years/ Business Organisation

	SP & P	C	
Static	9	1	10
Expand	22	2	24
	31	3	34

$X^2 = 0.02$

Test 160 : Employment / Estimate of Development for next 3 years (EXPand or STATic/ CONTrac

	EXP	STAT CONT	
Employing	10	6	16
Not Employing	14	5	19
	24	11	35

$$X^2 = \frac{35(10 \times 5 - 6 \times 14)^2}{24 \times 11 \times 19 \times 16} = \frac{35(1156)}{80256} = \frac{40460}{80256} = \underline{0.504} \text{ Negative}$$

Series of Tests relating to Volume of Business

Tests related to Volume of Business

A. Significant Results

Test 1 : Volume of Business / Business organisation

	<11	>11	
Sole Prop & Part	24	8	32
Company	0	6	6
	24	14	38

$$X^2 = \frac{38(24 \times 6 - 8 \times 0)^2}{32 \times 6 \times 14 \times 24} = \frac{38(144 - 0)^2}{64512} = \frac{787968}{64512} = \underline{12.2} \text{ Significant}$$

Summary : This test demonstrates a strong and positive difference between observed and expected frequencies with the sole proprietor and partnership form of organisation having a small volume of business and the company form having a large volume of business.

Test 17 : Previous Business Experience / Volume of Business

	<11	>11	
With P.B. Experience	7	8	15
Without P.B. Experience	17	6	23
	24	14	38

$$X^2 = \frac{38(7 \times 6 - 8 \times 17)^2}{24 \times 14 \times 23 \times 15} = \frac{38/42 - 136)^2}{115920} = \frac{335768}{115920} = \underline{2.90} \text{ 1 tail signif.}$$

Summary : it had been anticipated that the proprietors with previous business experience might well have attained the higher volumes of business. The above test provides support on a 1 tail basis for that view.

Test 120 : Businesses exporting>10% / Volume of Business

	<11	>11	
Exporting 10%-	4	7	11
Others	20	6	26
	24	13	37

$$X^2 = \frac{37(4 \times 6 - 7 \times 20)^2}{24 \times 13 \times 26 \times 11} = \frac{37(24 - 140)^2}{89232} = \frac{497872}{89232} = \underline{5.58} \text{ Significant}$$

Summary : One out of every 6 businesses with a turnover of up to (& incl) £10,000 achieves 10% or more exports whereas more than half of the businesses with a turnover of £11,000 or over achieve that level.

Test 157 : Employment / Volume of Business

	<11	>11	
Employing	4	14	18
Not Employing	20	0	20
	24	14	38

$$X^2 = \frac{38(4 \times 0 - 14 \times 20)^2}{24 \times 14 \times 20 \times 18} = \frac{38(280)^2}{100800} = \frac{2979200}{100800} = \underline{29.55} \text{ Significant}$$

Summary : It had been anticipated that the bulk of employment would be provided by the businesses with the greater volumes of business and this test provides confirmation.

Volume of Business (Cont.)

B. Indicators

Test 126 : Development over previous 3 years/ volume of business

	<11	>11	
Static	4	1	5
Expand	10	12	22
	14	13	27

$$X^2 = \frac{27(4 \times 12 - 1 \times 10)^2}{14 \times 13 \times 22 \times 5} = \frac{27(48-10)^2}{20020} = \frac{38988}{20020} = 1.95$$

Summary : This test provides an indication that in a larger survey evidence might be found to the effect that the greatest potential for expansion comes from the larger volume businesses

Test 108 : Retailers (>50%), Own Retail (>50%) / Volume of Business

	<11	>11	
50%- to retailers	10	6	16
50%- to own retail	11	2	13
	21	8	29

$$X^2 = \frac{29(10 \times 2 - 6 \times 11)^2}{21 \times 8 \times 13 \times 16} = \frac{29(20 - 66)^2}{34944} = \frac{61364}{34944} = 1.76$$

Summary : as the result of this test is not significant it can only provide an indication that in the lower volumes of business (-10) there is an almost event split between those distributing 50%- to other retailers and those distributing 50%- through their own shop compared to the higher volumes of business where 3 out of 4 distribute more than 50% through other retailers.

Test 94 : Location (Market) / Volume of Business

	<11	>11	
Market Priority	3	4	7
Other Priority	21	10	31
	24	14	38

$$X^2 = \frac{38(3 \times 10 - 4 \times 21)^2}{24 \times 14 \times 31 \times 7} = \frac{38(30-84)^2}{72912} = \frac{110808}{72912} = 1.52$$

Summary : Once again, no firm conclusions can be drawn from this test but there is an indication that proprietors who locate their business primarily on the market priority achieve a much higher proportion of their number in the larger volumes of business as opposed to the other businesses with different priorities.

C. Negative Results

Test 24 : Previous Craft and Business Experience/ Volume of Business

	< 11	> 11	
With P.C. & B. Exper.	6	4	10
Without P.C. & B. Exper.	18	10	28
	24	14	38

$X^2 = 0.06$

Test 66 : Training and Experience / Volume of Business

	< 11	> 11	
Without TR.or Exp.	5	1	6
With Tr. or Exp.	19	13	32
	24	14	38

$X^2 = 1.25$

Test 70 : Location (Home Area)/ Volume of Business

	< 11	> 11	
Home Area Priority	16	7	23
Other Priorities	8	7	15
	24	14	38

$X^2 = 0.76$

Test 78 : Location (Property/Site)/ Volume of Business

	< 11	> 11	
Property Priority	9	4	13
Other Priority	15	10	25
	24	14	38

$X^2 = 0.31$

Test 86 : Location (Environment) / Volume of Business

	< 11	> 11	
Environment Priority	6	2	8
Other Priority	18	12	30
	24	14	38

$X^2 = 0.61$

Test 100 : Original Objectives / Volume of Business

	< 11	> 11	
Changed Objectives	11	5	16
Unchanged Objectives	12	7	19
	23	12	35

$X^2 = 0.12$

Test 114 : 20% outwith Scotland / Volume of Business

	< 11	> 11	
20%- in remainder U.K.	6	5	11
Remainder	18	9	27
	24	14	38

$X^2 = 0.49$

Test 126 : Development over last 3 years/ Volume of Business

	< 11	> 11	
Static	4	1	5
Expand	10	12	22
	14	13	27

$X^2 =$

Volume of Business (Cont.)

C. Negative Results (Continued)

Test 132 : Development estimated over next 3 years/ Volume of Business

	<11	>11	
Static	5	2	7
Expand	17	7	24
	22	9	31

$X^2 = 0.0009$

Test 138 : Premises / Volume of Business

	<11	>11	
Owning	14	9	23
Renting	8	3	11
	22	12	34

$X^2 = 0.46$

Test 144 : Age of Proprietor / Volume of Business

	30-40	43-53	
Volume ≯ 10	7	8	15
Volume 11 ≯	5	6	11
	12	14	26

$X^2 = 0.004$

Test 150 : Age of Proprietor at establishment/ Volume of Business

	< 36	>36	
Volume ≯ 10	16	9	25
Volume 11 ≯	8	5	13
	24	14	28

$X^2 = 0.02$

Test 4 : Volume of Business / Assistance (grants)

	<11	>11	
Assisted	7	6	13
Not assisted	17	8	25
	24	14	38

$X^2 = 0.74$

Test 8 : Training / Volume of Business

	<11	>11	
With Training	10	5	15
Without Training	14	9	23
	24	14	38

$X^2 = 0.13$

Test 15 : Previous Craft Experience / Volume of Business

	<11	>11	
With P.C. Experience	13	7	20
Without P.C. Experience	11	7	18
	24	14	38

$X^2 = 0.06$

Workshop Premises

C. Negative Results

Test 138 : Premises / Volume of Business

	<11	>11	
Owning	14	9	23
Renting	8	3	11
	22	12	34

$X^2 = 0.46$

Test 137 : Premises / Business Organisation

	SP & P	C	
Owning	20	5	25
Renting	10	1	11
	30	6	36

$X^2 = 0.65$

Factors relating to Employment

Table E 6

Not Employing										Employing								
Index	Craft	Volume £000	Train'g	Eexper'ce	Age	Durat'n	Own/ret	Est.Dev		Index	Craft	Volume £000	Train'g	Exper'ce	Age	Durat'n	Own/ret	Est.Dev
A 24	Furniture	6-10	-	-	24	4	x	b		H 35	Graphic	40	c	b	43	8	x	c
G 58	Shell gds	<6	-	a	47	4	-	b		S 7	Jew/ry	11-15	a	b	33	5	x	b
H 77	Candles	6-10	-	-	31	3	-	U		T 2	Jew/ry	21-25	-	x	32	1	-	b
112	Ceramics	<6	b	a	46	3	x	a		K 25	Leather	R	-	a	52	7	x	a
S117	Graphic	<6	-	x	44	3	-	b		P 13	Glass	200	-	b	58	9	-	U
W 46	Wr.Iron	<6	b	x	53	22	x	b		B 63	Ceramic	200	-	b	58	5	x	U
H 30	Notelets	<6	-	-	31	6	-	U		W 42	Skin/Je	75	b	-	48	10	x	b
O 7	Bagpipes	<6	-	x	59	6	x	b		H 49	Jew/ry	R	-	x	40	6	-	a
B 88	Taxid/st	6-10	-	a	32	1	x	b		T 23	Horn	6-10	-	-	52	27	x	a
H 51	Woodc/ng	<6	-	-	63	1	x	b		C 39	Plaques	16-20	b	x	38	5	-	b
G 6	Weaving	<6	c	x	72	14	x	b		P 12	Skin	21-25	b	a	50	16	-	b
T 65	Sc.Print	<6	a	-	23	1	x	b		S 63	Plaques	150	-	-	57	22	-	U
C 98	Jew/ry	<6	a	a	23	1	x	b		Y 5	Horn	<6	-	a	38	10	x	b
M117	Knitting	<6	a	-	25	2	x	b		S120	Ceramic	<6	a	x	32	3	x	b
A 5	Pol/cast	<6	c	-	29	2	-	a		R 40	Lampsh/s	11-15	-	a	45	7	x	a
M164	Glass Ca.	<6	a	-	30	0	x	a		W 32	Weaving	116	b	-	50	48	x	b
N 11	Jew/ry	6-10	-	x	51	10	x	b		H 74	Ceramic	<6	c	-	67	7	x	b
K 2	Wr.Iron	R	-	x	67	27	x	a		F 57	Dolls	11-15	-	x	34	2	-	b
T 35	Models	<6	b	a	45	5	x	b		S 2	Mus/Ins	11-15	-	a	43	9	x	a
L 39	Ceramic	<6	a	a	48	10	x	a		L 21	Skin/je	16-20	-	x	33	6	-	U
C 89	Graphic	<6	a	b	41	13	x	b										

Table 12

(a) (b)

R - Refusal to answer the question

x (Column experience) - experience in both craft and business

U - answer unknown

a,b,c - (Column Training) - a (FE.or H.E.); b(Trade apprent/p); c (Speial course).

a,b,c - (Column Estimated Development) - a (static); b (expand) c (contract).

Factors relating to Employment

Table E 8

Sales Channels & Markets (%)									
Not Employing					Employing				
	Whole/sale	Other Retail/s	Own Retail	Sales in Scotland		Whole/sale	Other Retail/s	Own Retail	Sales in Scotland
A 24	0	50	50	100	x H 35	0	95	5	55
G 58	0	100	0	75	S 7	0	60	40	100
x H 77	0	100	0	55	T 2	0	100	0	75
x 112	25	0	75	100	x K 25	0	90	10	100
S117	50	50	0	100	x P 13	0	100	0	25
W 46	0	0	100	100	x B 63	0	80	20	35
x H 30	0	100	0	100	W 42	0	70	30	80
O 7	0	0	100	100	x H 49	0	100	0	90
B 88	0	35	65	100	x T 23	0	5	95	100
H 51	0	90	10	85	C 39	0	100	0	80
G 6	0	0	100	100	P 12	1	99	0	80
T 65	0	75	25	100	x S 63	0	100	0	50
C 98	0	90	10	90	Y 5	0	70	30	100
M117	0	90	10	30	S120	0	25	75	100
x A 5	0	100	0	U	x R 40	20	0	80	95
x M164	0	99	1	40	W 32	49	49	2	2
N 11	35	25	40	50	H 74	0	0	100	100
x K 2	0	0	100	95	F 57	0	100	0	75
T 35	0	0	100	0	x S 2	0	0	100	70
x L 39	0	0	100	100	x L 21	0	100	0	90
C 89	0	0	100	50					
Totals	110	1004	986	1570		70	1348	587	1502
Average	5.24	47.81	46.95	78.5		3.5	67.15	29.35	75.1
Extracting (x)									
Totals	25	399	276	490		21	670	310	710
Average	3.57	57.0	39.42	81.67		2.1	67.0	31.0	71.0

Employment

Table E 9

Calculation for Projection of Employment Generated by Craft Business in Scotland in 1976

41 businesses give employment to :-		
Sole Proprietors	15	
Partners	10	
Employers	21	
Employees	202	
Total	248	248
Less		
Proprietors where craft is only part of business	14	
Part-time husbands/wives	3	
Part-time employees	54	
Total	71	71
		177

Therefore 41 businesses employ : 177 full-time : average 4.32

71 part-time : average 1.73

Applying the adjusted range of functioning businesses :

Full-time - $4.32 \times 704 = 3041.28$
$4.32 \times 976 = 4216.32$

Part-time - $1.73 \times 704 = 1217.92$
$1.73 \times 976 = 1688.48$

Duration of Business

Table E 11

Projection of Survey Results (Duration) to total craft Population			
Duration of Businesses in Years	Distribution of the Survey Population: Duration in Years	% by Year of the Survey Population	% applied to total number of businesses in the Index and modified to give 95% Confidence Intervals at 1976
* under 1	1	2.439	17.7 - 23.80
(1976) 1	5	12.195	85.85 - 119.02
2	3	7.317	51.51 - 71.41
3	4	9.756	68.68 - 95.22
4	2	4.878	34.34 - 47.61
5	4	9.756	68.68 - 95.22
6	4	9.756	68.68 - 95.22
7	3	7.317	51.51 - 71.41
8	1	2.439	17.17 - 23.80
9	2	4.878	34.34 - 47.61
10	3	7.317	51.51 - 71.41
11 - 20	4	9.756	68.68 - 95.22
21 - 30	4	9.756	68.68 - 95.22
31 - 40	0	0.0	0.0 - 0.0
41 - 50	1	2.439	17.7 - 23.80

Note * : A businesses listed by the SDA at home address in 1975 but not in operation until 1977.

Assistance by Grants

Table E 13

Businesses in Receipt of a Grant

		SP	P	C	Trai	Exp	Dur	Age	Vol	P.T	P.T	Dev
H 35	Graphic	-	-	x	c	b	8	43	40	6	0	c
H 77	Candles	-	x	-	-	-	3	31	6 -10	2	0	U
S 7	Jew/ry	-	x	-	a	b	5	33	11 -15	2	1	b
S117	Graphic	-	x	-	-	a/b	3	44	< 6	2	0	b
O 7	Bagpipe	x	-	-	-	a/b	6	59	< 6	1	0	b
W 42	Skin/Je	-	-	x	b	-	10	48	75	12	4	b
C 39	Plaques	x	-	-	b	a/b	5	36	16 -20	11	0	b
P 12	Skin	x	-	-	b	a	16	50	21 -25	6	1	b
Y 5	Horn	-	x	-	-	a	10	38	< 6	1	2	b
C 98	Jew/ry	x	-	-	a	a	1	23	< 6	1	0	b
W 32	Weav.	-	-	x	b	-	48	50	116	26	0	b
M117	Knit/g	-	x	-	a	-	2	25	< 6	2	0	b
M164	Glass/C	x	-	-	a	-	0	30	< 6	1	0	a
13		5	5	3	9	8	117	510		73	8	
		38.5%	38.5%	23.1%	69.2% Both/38.5%	61.5%	Av - 9yrs	Av-39.2yrs		Av-5.62	Av-0.62	

Table E 14

Volume of Business £0,000	Assisted Businesses		Remainder of Businesses	
Under 6	6	46.15%	13	52.0%
6 - 10	1	7.69%	4	16.0%
11 - 15	1	7.69%	3	12.0%
16 - 20	1	7.69%	1	4.0%
21 - 25	1	7.69%	1	4.0%
36 - 40	1	7.69%	0	0.0%
71 - 75	1	7.69%	0	0.0%
116 -120	1	7.69%	0	0.0%
146 -150	0	0.00%	1	4.0%
196 -200	0	0.00%	2	8.0%

Training

Table E 16

Group with training at graduate/ trade app'p level

Index No.	Bus. Organisat'n s.p.	p.	c.	Empl'nt F.T.	P.T.	Age	Volume/ Bus. <6	6-25	over	Develop't a	b	c	Durat'n
S 7	-	x	-	2	1	33	-	11-15	-	-	x	-	5
S120	x	-	-	4	1	32	<6	-	-	-	x	-	3
T 65	x	-	-	1	-	23	<6	-	-	-	x	-	1
C 98	x	-	-	1	-	23	<6	-	-	-	x	-	1
M117	-	x	-	2	-	25	<6	-	-	-	x	-	2
M164	x	-	-	1	-	30	<6	-	-	x	-	-	0
L 39	x	-	-	-	1	48	<6	-	-	x	-	-	10
C 89	x	-	-	-	1	41	<6	-	-	-	x	-	13
112	x	-	-	-	1	46	<6	-	-	x	-	-	3
W 46	x	-	-	1	-	53	<6	-	-	-	x	-	22
W 42	-	-	x	12	4	48	-	-	75	-	x	-	10
C 39	x	-	-	11	-	36	-	16-20	-	-	x	-	5
P 12	x	-	-	6	1	50	-	21-25	-	-	x	-	16
W 32	-	-	x	25	-	50	-	-	116	-	x	-	48
T 35	x	-	-	1	-	45	<6	-	-	-	x	-	5
Totals	11	2	2	67	10	583	10	3	2	3	12	0	144
Averages	73.3%	13.3%	13.3%	4.5	0.7	38.9	66.7%	20.0%	13.3%	20%	80%	0%	9.6 (6.8 if W32 exc)

Business Organisation : s.p. - Sole Proprietor
p. - Partnership
c. - Company

Development (Future) : a. - Static
b. - Expand
c. - Contract

Appendix E 10

Previous Craft Experience

Table E 18

Group with previous craft experience

Index No	Bus.Organisation S.P.	P.	C.	Empl'nt F.T	P.T.	Age	Volume/ Bus <6	6-25	over	Develop't a	b	c	Dur.
G 58	x	-	-	1	1	47	<6	-	-	-	x	-	4
112	x	-	-	-	1	46	<6	-	-	x	-	-	3
S117	-	x	-	2	-	44	<6	-	-	-	x	-	3
T 2	x	-	-	2	7	32	-	21-25	-	-	x	-	1
W 46	x	-	-	1	-	53	<6	-	-	-	x	-	22
K 25	x	-	-	2	1	52	R	R	R	x	-	-	7
O 7	x	-	-	1	-	59	<6	-	-	-	x	-	6
B 88	x	-	-	1	-	32	-	6-10	-	-	x	-	1
G 6	x	-	-	-	1	72	<6	-	-	-	x	-	14
L 21	-	x	-	1	2	33	-	16-20	-	U	U	U	6
H 49	-	x	-	1	12	39	R	R	R	x	-	-	6
C 39	x	-	-	11	-	36	-	16-20	-	-	x	-	5
P 12	x	-	-	6	1	50	-	21-25	-	-	x	-	16
Y 5	-	x	-	1	2	38	<6	-	-	-	x	-	10
S120	x	-	-	4	1	32	<6	-	-	-	x	-	3
R 40	x	-	-	1	1	45	-	11-15	-	x	-	-	7
C 98	x	-	-	1	-	23	<6	-	-	-	x	-	1
N 11	x	-	-	1	-	51	-	6-10	-	-	x	-	10
K 2	x	-	-	-	1	67	R	R	R	x	-	-	27
T 35	x	-	-	1	-	45	<6	-	-	-	x	-	5
L 39	x	-	-	-	1	48	<6	-	-	x	-	-	10
F 57	x	-	-	1	20	34	-	11-15	-	-	x	-	2
S 2	-	-	x	2	1	43	-	11-15	-	x	-	-	9
Totals	18	4	1	41	53	1021	11/20	9/20	0	7/23	15/23	0	178
Averages	78.3%	17.4%	4.3%	1.8	2.3	44.4	55%	45%	0	30.4%	65.2%	0	7.7

Business Organisation : S.P. - Sole Proprietor
P. - Partnership
C. - Company

Development (Future) : a. - Static
b. - Expand
c. - Contract

Appendix E 11.

Previous Business Experience

Table E 19

Group with previous business experience

Index No.	Bus.Organisation S.P	P.	C.	Empl'nt F.T.	P.T.	Age	Volume/ Bus <6	6-25	Over	Develop't a	b	c	Dur.
H 35	-	-	x	6	-	43	-	-	40	-	-	x	8
S 7	-	x	-	2	1	33	-	11-15	-	-	x	-	5
S117	-	x	-	2	-	44	<6	-	-	-	x	-	3
T 2	x	-	-	2	7	32	-	21-25	-	-	x	-	1
W 46	x	-	-	1	-	53	<6	-	-	-	x	-	22
O 7	x	-	-	1	-	59	<6	-	-	-	x	-	6
P 13	-	-	x	30	1	58	-	-	200	U	U	U	9
B 63	-	-	x	40	-	58	-	-	200	U	U	U	5
G 6	x	-	-	-	1	72	<6	-	-	-	x	-	14
L 21	-	x	-	1	2	33	-	16-20	-	U	U	U	6
H 49	-	x	-	1	12	39	R	R	R	x	-	-	6
C 39	x	-	-	11	-	36	-	16-20	-	-	x	-	5
S120	x	-	-	4	1	32	<6	-	-	-	x	-	3
N 11	x	-	-	1	-	51	-	6-10	-	-	x	-	10
K 2	x	-	-	-	1	67	R	R	R	x	-	-	27
F 57	x	-	-	1	20	34	-	11-15	-	-	x	-	2
C 89	x	-	-	-	1	41	<6	-	-	-	x	-	13
Totals	10	4	3	103	47	785	$\frac{6}{15}$	$\frac{6}{15}$	$\frac{3}{15}$	$\frac{2}{14}$	$\frac{11}{14}$	$\frac{1}{14}$	145
% and Averages	58.8%	23.5%	17.6%	6.1	2.8	46.2	40%	40%	20%	14.3%	78.6%	7.1%	8.5

Business Organisation : S.P. - Sole Proprietor
P. - Partnership
C. - Company

Development (Future) : a. - Static
b. - Expand
c. - Contract

Previous Craft and Business Experience

Table E 20

Group with previous business and craft experience													
Index No	Bus.Organisation			Empl'nt		Age	Volume/ Bus.			Develop't			Dur.
	S.P.	P.	C.	F.T	P.T		<6	6-25	Over	a	b	c	
S117	-	x	-	2	-	44	<6	-	-	-	x	-	3
T 2	x	-	-	2	7	32	-	21-25	-	-	x	-	1
W 46	x	-	-	1	-	53	<6	-	-	-	x	-	22
O 7	x	-	-	1	-	59	<6	-	-	-	x	-	6
G 6	x	-	-	-	1	72	<6	-	-	-	x	-	14
L 21	-	x	-	1	2	33	-	16-20	-	U	U	U	6
H 49	-	x	-	1	12	39	R	R	R	x	-	-	6
C 39	x	-	-	11	-	36	-	16-20	-	-	x	-	5
S120	x	-	-	4	1	32	<6	-	-	-	x	-	3
N 11	x	-	-	1	-	51	-	6-10	-	-	x	-	10
K 2	x	-	-	-	1	67	R	R	R	x	-	-	27
F 57	x	-	-	1	20	34	-	11-15	-	-	x	-	2
Total	9	3	0	25	44	552	$\frac{5}{10}$	$\frac{5}{10}$	$\frac{0}{10}$	$\frac{2}{11}$	$\frac{9}{11}$	$\frac{0}{11}$	105
% and Averages	75.0%	25.0%	0.0%	2.1	3.7	46	50.0%	50.0%	0.0%	18.2%	81.8%	0.0%	8.75

Business Organisation : S.P. - Sole Proprietor
P. - Partnership
C. - Company

Development (Future) : a. - Static
b. - Expand
c. - Contract

Appendix E 13

Previous Craft and Business Experience

Table E 21

Group without previous business and craft experience

Index No	Bus.Organisation S.P.	P.	C.	Empl'nt F.T	P.T.	Age	Volume/ Bus. <6	6-25	Over	Develop't. a	b	c	Dur.
A 24	x	-	-	1	-	30	-	6-10	-	-	x	-	4
H 77	-	x	-	2	-	31	-	6-10	-	U	U	U	3
H 30	x	-	-	-	1	31	<6	-	-	U	U	U	6
H 51	x	-	-	1	-	63	<6	-	-	-	x	-	1
W 42	-	-	x	12	4	48	-	-	75	-	x	-	10
T 23	x	-	-	2	3	52	-	6-10	-	x	-	-	27
S 63	x	-	-	16	1	57	-	-	150	U	U	U	22
T 65	x	-	-	1	-	23	<6	-	-	-	x	-	1
W 32	-	-	x	26	-	50	-	-	116	-	x	-	48
M117	-	x	-	2	-	25	<6	-	-	-	x	-	2
H 74	x	-	-	2	-	67	<6	-	-	-	x	-	7
A 5	x	-	-	1	-	29	<6	-	-	x	-	-	2
M164	x	-	-	1	-	30	<6	-	-	x	-	-	0
Totals	9	2	2	67	9	536	7	3	3	3/10	7/10	0/10	133
% and Averages	69.2%	15.4%	15.4%	5.2	0.7	41.2	53.8%	23.1%	23.1%	30.0%	70.0%	0.0%	10.2

Business Organisation : S.P. - Sole Proprietor
P. - Partnership
C. - Company

Development (Future) : a. - Static
b. - Expand
c. - Contract

Location of the Business

Table E 23

Businesses established with home area as a major choice factor

Index No	Business Organ'n			Empl'nt		Age	Volume / Business			Tr.	Pr. Exp		Dur
	S.P.	P.	C.	F.T.	P.T.		<6	6 - 25	over		Cr.	Bu.	
A 24	x	-	-	1	-	30	-	6-10	-	-	-	-	4
G 58	x	-	-	1	1	47	<6	-	-	-	x	-	4
H 77	-	x	-	2	-	31	-	6-10	-	-	-	-	3
112	x	-	-	-	1	46	<6	-	-	x	x	-	3
S 7	-	x	-	2	1	33	-	11-15	-	x	-	x	5
S117	-	x	-	2	-	44	<6	-	-	-	x	x	3
T 2	x	-	-	2	7	32	-	21-25	-	-	x	x	1
W 46	x	-	-	1	-	53	<6	-	-	x	x	x	22
H 30	x	-	-	-	1	31	<6	-	-	-	-	-	6
O 7	x	-	-	1	-	59	<6	-	-	-	x	x	6
P 13	-	-	x	30	1	58	-	-	200	-	-	x	9
H 51	x	-	-	1	-	63	<6	-	-	-	-	-	1
L 21	-	x	-	1	2	33	-	16-20	-	-	x	x	6
H 49	-	x	-	1	12	40	R	R	R	-	x	x	6
T 23	x	-	-	2	3	52	-	6-10	-	-	-	-	27
C 39	x	-	-	11	-	36	-	16-20	-	x	x	x	5
S 63	x	-	-	16	1	57	-	-	150	-	-	-	22
Y 5	-	x	-	1	2	38	<6	-	-	-	x	-	10
R 40	x	-	-	1	1	45	-	11-15	-	-	x	-	7
A 5	x	-	-	1	-	29	<6	-	-	x	-	-	2
M164	x	-	-	1	-	30	<6	-	-	x	-	-	0
K 2	x	-	-	-	1	67	R	R	R	-	x	x	27
T 35	x	-	-	1	-	45	<6	-	-	x	x	-	5
L 39	x	-	-	-	1	48	<6	-	-	x	x	-	10
C 89	x	-	-	-	1	41	<6	-	-	x	-	x	13
Totals	18	6	1	79	36	1088	13	8	2	9	14	11	207
	%	%	%	Av	Av	Av	%	%	%	%	%	%	Av
% and averages	72.0	24.0	4.0	3.2	1.4	43.5	56.7	34.8	8.7	36.0	56.0	44.0	8.3

Location of the Business

Table E 24

Businesses established with availability of property or site as a major choice factor

Index No	Bus. organisat'n S.P.	P.	C.	Empl'nt F.T.	P.T	Age	Volume / Business <6	6-25	over	Tr.	Pre.Exp Cr	Bu	Dur
S 7	-	x	-	2	1	33	-	11-15	-	x	-	x	5
K 25	x	-	-	2	1	52	R	R	R	-	x	-	7
O 7	x	-	-	1	-	59	<6	-	-	-	x	x	6
B 88	x	-	-	1	-	32	-	6-10	-	-	x	-	1
W 42	-	-	x	12	4	48	-	-	75	x	-	-	10
S120	x	-	-	4	1	32	<6	-	-	x	x	x	3
R 40	x	-	-	1	1	45	-	11-15	-	-	x	-	7
T 65	x	-	-	1	-	23	<6	-	-	x	-	-	1
C 98	x	-	-	1	-	23	<6	-	-	x	x	-	1
M117	-	x	-	2	-	25	<6	-	-	x	-	-	2
H 74	x	-	-	2	-	67	<6	-	-	x	-	-	7
A 5	x	-	-	1	-	29	<6	-	-	x	-	-	2
L 39	x	-	-	-	1	48	<6	-	-	x	x	-	10
S 2	-	-	x	2	1	43	-	11-15	-	-	x	-	9
Totals	10	2	2	32	10	559	8	4	1	9	8	3	71
	%	%	%	Av	Av	Av	%	%	%	%	%	%	Av
% and averages	71.4	14.3	14.3	2.3	0.7	39.9	61.5	30.8	7.7	64.3	57.1	21.4	5.1

Location of the Business

Table E 25

Businesses established with the environment as a major choice factor

Index No	Bus. Organisat'n S.P.	Bus. Organisat'n P.	Bus. Organisat'n C.	Emply'nt F.T.	Emply'nt P.T.	Age	Volume / Business <6	Volume / Business 6-25	Volume / Business over	Tr.	Pre.Exp Cr	Pre.Exp Bu	Dur
A 24	x	-	-	1	-	30	-	6-10	-	-	-	-	4
S 7	-	x	-	2	1	33	-	11-15	-	x	-	x	5
S117	-	x	-	2	-	44	<6	-	-	-	x	x	3
K 25	x	-	-	2	1	52	R	R	R	-	x	-	7
T 65	x	-	-	1	-	23	<6	-	-	x	-	-	1
M117	-	x	-	2	-	25	<6	-	-	x	-	-	2
H 74	x	-	-	2	-	67	<6	-	-	x	-	-	7
T 35	x	-	-	1	-	45	<6	-	-	x	x	-	5
F 57	x	-	-	1	20	34	-	11-15	-	-	x	x	2
Totals	6	3	0	14	22	353	5	3	0	5	4	3	36
	%	%	%	Av	Av	Av	%	%	%	%	%	%	Av
% and averages	66.7	33.3	0.0	1.6	2.4	39.2	62.5	37.5	0.0	55.6	44.4	33.3	4.0

Table E 26

Businesses established with market influence as a major choice factor

Index No	Bus. Organisation S.P.	Bus. Organisation P.	Bus. Organisation C.	Emply'nt F.T.	Emply'nt P.T.	Age	Volume / Business <6	Volume / Business 6-25	Volume / Business over	Tr	Pre.Exp Cr	Pre.Exp Bu	Dur
S 7	-	x	-	2	1	33	-	11-15	-	x	-	x	5
S117	-	x	-	2	-	44	<6	-	-	-	x	x	3
B 63	-	-	x	40	-	58	-	-	200	-	-	x	5
B 88	x	-	-	1	-	32	-	6-10	-	-	x	-	[illegible]
C 39	x	-	-	11	-	36	-	16-20	-	x	x	x	5
R 40	x	-	-	1	1	45	-	11-15	-	-	x	-	7
C 98	x	-	-	1	-	23	<6	-	-	x	x	-	1
Totals	4	2	1	58	2	271	2	4	1	3	4	4	27
	%	%	%	Av	Av	Av	%	%	%	%	%	%	Av
% and averages	57.1	28.6	14.3	8.3	0.3	38.7	28.6	57.1	14.3	42.9	57.1	57.1	3.9

Assessment of Objectives

Table E 27

Group of businesses where no changes in objectives have taken place

Index No	Dur	Craft	Tr	Exper'ne		Bus.Organ'ion			Volume/ Business			Age
				Cr	Bu	SP	P	C	<6	6-25	over	
H 35	8	Graphic	x	-	x	-	-	x	-	-	40	43
H 77	3	Candles	-	-	-	-	x	-	-	6-10	-	31
112	3	Ceramic	x	x	-	x	-	-	<6	-	-	46
S 7	5	Jew'ry	x	-	x	-	x	-	-	11-15	-	33
S117	3	Graphic	-	x	x	-	x	-	<6	-	-	44
H 30	6	Note'ts	-	-	-	x	-	-	<6	-	-	31
P 13	9	Glass	-	-	x	-	-	x	-	-	200	58
B 63	5	Ceramic	-	-	x	-	-	x	-	-	200	58
B 88	1	Taxid'st	-	x	-	x	-	-	-	6-10	-	32
H 51	1	Wood'rk	-	-	-	x	-	-	<6	-	-	63
W 42	10	Skin & J	x	-	-	-	-	x	-	-	75	48
G 6	14	Weav'g	x	x	x	x	-	-	<6	-	-	72
L 21	6	Skin & J	-	x	x	-	x	-	-	16-20	-	33
T 23	27	Horn	-	-	-	x	-	-	-	6-10	-	52
Y 5	10	Horn	-	x	-	-	x	-	<6	-	-	38
M117	2	Knitt'g	x	-	-	-	x	-	<6	-	-	25
N 11	10	Jew'ry	-	x	x	x	-	-	-	6-10	-	51
L 39	10	Ceramic	x	x	-	x	-	-	<6	-	-	48
F 57	2	Dolls	-	x	x	x	-	-	-	11-15	-	34
S 2	9	Mus.Inst.	-	x	-	-	-	x	-	11-15	-	43
Totals	144		7	10	9	9	6	5	8	8	4	883
	Av		%	%	%	%	%	%	%	%	%	Av
% and averages	7.2		35.0	50.0	45.0	45.0	30.0	25.0	40.0	40.0	20.0	44.2

Assessment of Objectives

Table E 28

Group of businesses where changes in objectives have taken place

Index No	Dur	Craft	Tr.	Exper'nce		Bus.Organ'ion			Volume / Business			Age
				Cr.	Bu.	SP.	P.	C.	<6	6-25	over	
A 24	4	Furn're	-	-	-	x	-	-	-	6-10	-	30
G 58	4	Shell	-	x	-	x	-	-	<6	-	-	47
T 2	1	Jew'ry	-	x	x	x	-	-	-	21-25	-	32
W 46	22	Wr.Iron	x	x	x	x	-	-	<6	-	-	53
K 25	7	Leather	-	x	-	x	-	-	R	R	R	52
O 7	6	Bagpipes	-	x	x	x	-	-	<6	-	-	59
H 49	6	Jew'ry	-	x	x	-	x	-	R	R	R	39
C 39	5	Plaques	x	x	x	x	-	-	-	16-20	-	36
S 63	22	Plaques	-	-	-	x	-	-	-	-	150	57
S120	3	Ceramics	x	x	x	x	-	-	<6	-	-	32
R 40	7	Lampsh's	-	x	-	x	-	-	-	11-15	-	45
T 65	1	Sc.Print	x	-	-	x	-	-	<6	-	-	23
C 98	1	Jew'ry	x	x	-	x	-	-	<6	-	-	23
W 32	48	Weav'g	x	-	-	-	-	x	-	-	116	50
H 74	7	Ceramic	x	-	-	x	-	-	<6	-	-	67
A 5	2	Polycast	x	-	-	x	-	-	<6	-	-	29
K 2	27	Wr.Iron	-	x	x	x	-	-	R	R	R	67
T 35	5	Models	x	x	-	x	-	-	<6	-	-	45
C 89	13	Graphic	x	-	x	x	-	-	<6	-	-	41
Totals	191		10	12	8	17	1	1	10	4	2	827
	Av		%	%	%	%	%	%	%	%	%	Av
% and averages	10.1		52.6	63.2	42.1	89.5	5.3	5.3	62.5	25.0	12.5	43.5
Exc	7.9											

Market

Table E 29

Model of Cash Flow/ Credit terms relationship

Months	6 months credit			4 months credit			3 months credit			1 month credit		
	In	Out	Bal	In	Out	Bal	In	Out	Bal	In	Out	Bal
1	-	300	- 300	-	300	- 300	-	300	- 300	-	300	- 300
2	-	300	- 600	-	300	- 600	-	300	- 600	500	300	- 100
3	-	300	- 900	-	300	- 900	-	300	- 900	500	300	+ 100
4	-	300	-1200	-	300	-1200	500	300	- 700	500	300	+ 300
5	-	300	-1500	500	300	-1000	500	300	- 500	500	300	+ 500
6	-	300	-1800	500	300	- 800	500	300	- 300	500	300	+ 700
7	500	300	-1600	500	300	- 600	500	300	- 100	500	300	+ 900
8	500	300	-1400	500	300	- 400	500	300	+ 100	500	300	+1100
9	500	300	-1200	500	300	- 200	500	300	+ 300	500	300	+1300
10	500	300	-1000	500	300	0	500	300	+ 500	500	300	+1500
11	500	300	- 800	500	300	+ 200	500	300	+ 700	500	300	+1700
12	500	300	- 600	500	300	+ 400	500	300	+ 900	500	300	+1900
13	500	300	- 400	500	300	+ 600	500	300	+1100	500	300	+2100
14	500	300	- 200	500	300	+ 800	500	300	+1300	500	300	+2300
15	500	300	0	500	300	+1000	500	300	+1500	500	300	+2500
16	500	300	+ 200	500	300	+1200	500	300	+1700	500	300	+2700
17	500	300	+ 400	500	300	+1400	500	300	+1900	500	300	+2900
18	500	300	+ 600	500	300	+1600	500	300	+2100	500	300	+3100
19	500	300	+ 800	500	300	+1800	500	300	+2300	500	300	+3300
20	500	300	+1000	500	300	+2000	500	300	+2500	500	300	+3500
21	500	300	+1200	500	300	+2200	500	300	+2700	500	300	+3700
22	500	300	+1400	500	300	+2400	500	300	+2900	500	300	+3900
23	500	300	+1600	500	300	+2600	500	300	+3100	500	300	+4100
24	500	300	+1800	500	300	+2800	500	300	+3300	500	300	+4300

The above model assumes :-

a) Steady production and sales to retailers over a 24 month period.

b) In each month the craftsman receives £100 of materials, incurs £200 of expenses and has to pay for the materials and expenses within that month.

c) At the end of each month £500 of goods have been produced and sold to a retailer on four varying credit terms....6 months, 4 months, 3 months and 1 month.

The model traces the effect on the financial balance of the business over 24 months.

Markets

Table E 31

Businesses distributing more than 50% of their product through their own retail outlet														
Index No	Bus.Organ'ion			Empl'nt		Age	Volume / Business			Tr	Prev.Exp		Dur	% by this channel
	S.P.	P.	C.	F.T	P.T		<6	6-25	over		Cr	Bu		
112	x	-	-	-	1	46	<6	-	-	x	x	-	3	75
W 46	x	-	-	1	-	53	<6	-	-	x	x	x	22	100
O 7	x	-	-	1	-	59	<6	-	-	-	x	x	6	100
B 88	x	-	-	1	-	32	-	6-10	-	-	x	-	1	65
G 6	x	-	-	-	1	72	<6	-	-	x	x	x	14	100
T 23	x	-	-	2	3	52	-	6-10	-	-	-	-	27	95
S120	x	-	-	4	-	32	<6	-	-	x	x	x	3	75
R 40	x	-	-	1	1	45	-	11-15	-	-	x	-	7	80
H 74	x	-	-	2	-	67	<6	-	-	x	-	-	7	100
K 2	x	-	-	-	1	67	R	R	R	-	x	x	27	100
T 35	x	-	-	1	-	45	<6	-	-	x	x	-	5	100
L 39	x	-	-	-	1	48	<6	-	-	x	x	-	10	100
C 89	x	-	-	-	1	41	<6	-	-	x	-	x	13	100
S 2	-	-	x	2	1	43	-	11-15	-	-	x	-	9	100
Total	13	0	1	15	10	702	9/13	4/13	0/13	8	11	6	154	1290
	%	%	%	Av	Av	Av	%	%	%	%	%	%	Av	Av%
% and averages	92.9	0.0	7.1	1.1	0.7	50.1	69.2	30.8	0.0	57.1	78.6	42.9	11.0	92.1

Appendix E 21

Table E 32

Business distributing more than 50% of their product through retailers.														
Index No.	Bus.Organ'ion			Empl'nt		Age	Volume / Business			Tr.	Pre.Exp		Dur	% by this channel
	S.P.	P.	C.	F.T	P.T		<6	6-25	over		Cr	Bu		
G 58	x	-	-	1	1	47	<6	-	-	-	x	-	4	100
H 35	-	-	x	6	-	43	-	-	40	x	-	x	8	95
H 77	-	x	-	2	-	31	-	6-10	-	-	-	-	3	100
S 7	-	x	-	2	1	33	-	11-15	-	x	-	x	5	60
T 2	x	-	-	2	7	32	-	21-25	-	-	x	x	1	100
H 30	x	-	-	-	1	31	<6	-	-	-	-	-	6	100
K 25	x	-	-	2	1	52	R	R	R	-	x	-	7	90
P 13	-	-	x	30	1	58	-	-	200	-	-	x	9	100
B 63	-	-	x	40	-	58	-	-	200	-	-	x	5	80
H 51	x	-	-	1	-	63	<6	-	-	-	-	-	1	90
W 42	-	-	x	12	4	48	-	-	75	x	-	-	10	70
L 21	-	x	-	1	2	33	-	16-20	-	-	x	x	6	100
H 49	-	x	-	1	12	39	R	R	R	-	x	x	6	100
C 39	x	-	-	11	-	36	-	16-20	-	x	x	x	5	100
P 12	x	-	-	6	1	50	-	21-25	-	x	x	-	16	99
S 63	x	-	-	16	1	57	-	-	150	-	-	-	22	100
Y 5	-	x	-	1	2	38	<6	-	-	-	x	-	10	70
T 65	x	-	-	1	-	23	<6	-	-	x	-	-	1	75
C 98	x	-	-	1	-	23	<6	-	-	x	x	-	1	90
M117	-	x	-	2	-	25	<6	-	-	x	-	-	2	90
A 5	x	-	-	1	-	29	<6	-	-	x	-	-	2	100
M164	x	-	-	1	-	30	<6	-	-	x	-	-	0	99
F 57	x	-	-	1	20	34	-	11-15	-	-	x	x	2	100
Total	13	6	4	141	54	913	9/21	7/21	5/21	10	10	9	132	2108
	%	%	%	Av	Av	Av	%	%	%	%	%	%	Av	Av%
% and averages	56.5	26.1	17.4	6.13	2.35	39.7	42.9	33.3	23.8	43.5	43.5	39.1	5.7	91.7

Markets

Table E 33

Comparison between the groups distributing more than 50% of their product through retailers and the group distributing more than 50% of their product through their own retail outlet, and relating to the craft subject.

Group distributing more than 50% of their product through retailers

Index No	Craft	Location Priority			Dist
		1	2	3	
G 58	Shell goods	1	-	-	L
H 35	Graphic	9	5	4	L
H 77	Candles	1	-	-	L
S 7	Jewellery	-	-	-	L
T 2	Jewellery	1	-	-	L
H 30	Notelets	1	-	-	P
K 25	Leather	6	7	2	P
P 13	Glass	1	-	-	P
B 63	Ceramics	3	-	-	P
H 51	Woodcarving	1	-	-	P
W 42	Skin / Jew.	6	-	-	P
L 21	Skin / Jew.	1	-	-	P
H 49	Jewellery	1	-	-	P
C 39	Plaques	1	3	4	P
P 12	Skin	9	-	-	P
S 63	Plaques	1	-	-	P
Y 5	Horn	1	-	-	P
T 65	Screen Print.	6	7	2	P
C 98	Jewellery	6	3	2	P
M117	Knitting	7	6	8	P
A 5	Pol/ Casting	1	6	-	P
M164	Glass Carving	1	-	-	P
F 57	Dolls	5	4	3	C

1st Priority: 1 =59.1%, 6 =18.2%

Group distributing more than 50% of their product through their own retail outlet

Index No	Craft	Location Priority			Dist
		1	2	3	
112	Ceramics	1	-	-	L
W 46	Wr. Iron	1	-	-	L
O 7	Bagpipes	1	6	-	P
B 88	Taxidermist	6	5	-	P
G 6	Weaving	9	-	-	P
T 23	Horn	1	-	-	P
S120	Ceramics	6	-	-	P
R 40	Lampshades	3	6	1	P
H 74	Ceramics	6	7	-	P
K 2	Wr. Iron	1	-	-	P
T 23	Models	7	1	-	P
L 39	Ceramics	6	1	-	P
C 89	Graphic	1	9	-	C
S 2	Musical Inst.	9	6	-	C

1st Priority: 1 =42.9%, 6 =28.6%

Note : 1. Districts ; Lochaber (L), Perthshire (P), Clackmannan (C)
2. Location Priorities ; Home Area (1), Known Area (2), Market Influence (3), Availability of Material Resources (4), Availability of Human Resources (5), Availability of Property or Site (6), Environment (7), Condition of Grant (8), and Other (9).

Appendix E 23

Markets

Table E 35

Businesses exporting 10% or more of their product.

Index No	Bus. Organis'ion			Volume of sales			Train	Prev.Experience		Dur
	S.P.	P.	C.	<6	6-25	over		Cr	Bu	
T 2	x	-	-	-	21-25	-	-	x	x	1
O 7	x	-	-	<6	-	-	-	x	x	6
P 13	-	-	x	-	-	200	-	-	x	9
B 63	-	-	x	-	-	200	-	-	x	5
W 42	-	-	x	-	-	75	x	-	-	10
C 39	x	-	-	-	16-20	-	x	x	x	5
S 63	x	-	-	-	-	150	-	-	-	22
M117	-	x	-	<6	-	-	x	-	-	2
N 11	x	-	-	-	6-10	-	-	x	x	10
T 35	x	-	-	<6	-	-	x	x	-	5
F 57	x	-	-	-	11-15	-	-	x	x	2
S 2	-	-	x	-	11-15	-	-	x	-	9
Totals	7	1	4	3	5	4	4	7	7	86
% and averages	% 58.3	% 8.3	% 33.3	% 25.0	% 41.7	% 33.3	% 33.3	% 58.3	% 58.3	Av 7.17

Markets

Table E 36

Businesses selling 20% or more of their product outwith Scotland and in the remainder of the U.K.

Index No.	Bus. Organis'ion			Volume of Sales			Train	Prev.Experience		Dur
	S.P.	P.	C.	<6	6-25	over		Cr.	Bu.	
G 58	x	-	-	<6	-	-	-	x	-	4
H 35	-	-	x	-	-	40	x	-	x	8
S117	-	x	-	<6	-	-	-	x	x	3
P 13	-	-	x	-	-	200	-	-	x	9
P 12	x	-	-	-	21-25	-	x	x	-	16
W 32	-	-	x	-	-	116	x	-	-	48
M117	-	x	-	<6	-	-	x	-	-	2
M164	x	-	-	<6	-	-	x	-	-	0
T 35	x	-	-	<6	-	-	x	x	-	5
C 89	x	-	-	<6	-	-	x	-	x	13
S 2	-	-	x	-	11-15	-	-	x	-	9
Totals	5	2	4	6	2	3	7	5	4	117
	%	%	%	%	%	%	%	%	%	Av
% and averages	45.5	18.2	36.4	54.5	18.2	27.3	63.6	45.5	36.4	10.6

Development of the Business (Previous three years)

Table E 38

Group of businesses remaining static over the last three years											
Index No.	Bus. Organis'ion			Volume of Sales			Age	Train	Prev. Experience		Dur
	S.P.	P.	C.	<6	6-25	over			Cr	Bu	
112	x	-	-	<6	-	-	46	x	x	-	3
W 46	x	-	-	<6	-	-	53	x	x	x	22
K 25	x	-	-	R	R	R	52	-	x	-	7
T 23	x	-	-	-	6-10	-	52	-	-	-	27
K 2	x	-	-	R	R	R	67	-	x	x	27
T 35	x	-	-	<6	-	-	45	x	x	-	5
S 2	-	-	x	-	11-15	-	43	-	x	-	9
Totals	6	0	1	3/5	2/5	0/5	358	3	6	2	100
	%	%	%	%	%	%	Av	%	%	%	Av
% and averages	85.7	0.0	14.3	60.0	40.0	0.0	51.1	42.9	85.7	28.6	14.3

Development of the business (Previous three years)

Table E 39

Group of businesses which expanded over the last 3 years

Index No	Bus. Organis'on S.P.	P.	C.	Volume of Sales <6	6-25	over	Age	Train	Prev.Experience Cr.	Bu.	Dur
A 24	x	-	-	-	6-10	-	30	-	-	-	4
G 58	x	-	-	<6	-	-	47	-	x	-	4
H 35	-	-	x	-	-	40	43	x	-	x	8
H 77	-	x	-	-	6-10	-	31	-	-	-	3
S 7	-	x	-	-	11-15	-	33	x	-	x	5
S117	-	x	-	<6	-	-	44	-	x	x	3
O 7	x	-	-	<6	-	-	59	-	x	x	6
P 13	-	-	x	-	-	200	58	-	-	x	9
B 63	-	-	x	-	-	200	58	-	-	x	5
W 42	-	-	x	-	-	75	48	x	-	-	10
L 21	-	x	-	-	16-20	-	33	-	x	x	6
H 49	-	x	-	R	R	R	39	-	x	x	6
C 39	x	-	-	-	16-20	-	36	x	x	x	5
P 12	x	-	-	-	21-25	-	50	x	x	-	16
S 63	x	-	-	-	-	150	57	-	-	-	22
Y 5	-	x	-	<6	-	-	38	-	x	-	10
S120	x	-	-	<6	-	-	32	x	x	x	3
R 40	x	-	-	-	11-15	-	45	-	x	-	7
W 32	-	-	x	-	-	116	50	x	-	-	48
N 11	x	-	-	-	6-10	-	51	-	x	x	10
L 39	x	-	-	<6	-	-	48	x	-	-	10
F 57	x	-	-	-	11-15	-	34	-	x	x	2
C 89	x	-	-	<6	-	-	41	x	-	x	13
Totals	12	6	5	7/22	9/22	6/22	1005	9	13	13	215
	%	%	%	%	%	%	Av	%	%	%	Av
% and averages	52.2	26.1	21.7	31.8	40.9	27.3	43.7	39.1	56.5	56.5	9.3

Development of the Business (Next three years)

Table E 41

Businesses estimating that they will remain static over the next 3 years

Index No	Bus. Organis'on			Volume of Sales			Age	Train	Prev.Experience		Dur.
	S.P.	P.	C.	<6	6-25	over			Cr	Bu	
112	x	-	-	<6	-	-	46	x	x	x	3
K 25	x	-	-	R	R	R	52	-	x	-	7
H 49	-	x	-	R	R	R	39	-	x	x	6
T 23	x	-	-	-	6-10	-	52	-	-	-	27
R 40	x	-	-	-	11-15	-	45	-	x	-	7
A 5	x	-	-	<6	-	-	29	x	-	-	2
M164	x	-	-	<6	-	-	30	x	-	-	0
K 2	x	-	-	R	R	R	67	-	x	x	27
L 39	x	-	-	<6	-	-	48	x	x	-	10
S 2	-	-	x	-	11-15	-	43	-	x	-	9
Totals	8	1	1	4/7	3/7	0/7	451	4	7	2	98
	%	%	%	%	%	%	Av	%	%	%	Av
% and averages	80.0	10.0	10.0	57.1	42.9	0.0	45.1	40.0	70.0	20.0	9.8

Development of the Business (Next three years)

Table E 42

Group of businesses estimating expansion over the next 3 years

Index No.	Bus.Organis'ion S.P.	P.	C.	Volume of Sales <6	6-25	over	Age	Train.	Prev.Experience Cr	Bu	Dur.
A 24	x	-	-	-	6-10	-	30	-	-	-	4
G 58	x	-	-	<6	-	-	47	-	x	-	4
S 7	-	x	-	-	11-15	-	33	x	-	x	5
S117	-	x	-	<6	-	-	44	-	x	x	3
T 2	x	-	-	-	21-25	-	32	-	x	x	1
W 46	x	-	-	<6	-	-	53	x	x	x	22
O 7	x	-	-	<6	-	-	59	-	x	x	6
B 88	x	-	-	-	6-10	-	32	-	x	-	1
H 51	x	-	-	<6	-	-	63	-	-	-	1
W 42	-	-	x	-	-	75	48	x	-	-	10
G 6	x	-	-	<6	-	-	72	x	x	x	14
C 39	x	-	-	-	16-20	-	36	x	x	x	5
P 12	x	-	-	-	21-25	-	50	x	x	-	16
Y 5	-	x	-	<6	-	-	38	-	x	-	10
S120	x	-	-	<6	-	-	32	x	x	x	3
T 65	x	-	-	<6	-	-	23	x	-	-	1
C 98	x	-	-	<6	-	-	23	x	x	-	1
W 32	-	-	x	-	-	116	50	x	-	-	48
M117	-	x	-	<6	-	-	25	x	-	-	2
H 74	x	-	-	<6	-	-	67	x	-	-	7
N 11	x	-	-	-	6-10	-	51	-	x	x	10
T 35	x	-	-	<6	-	-	45	x	x	-	5
F 57	x	-	-	-	11-15	-	34	-	x	x	2
C 89	x	-	-	<6	-	-	41	x	-	x	13
Totals	18	4	2	14	8	2	1028	14	15	11	194
	%	%	%	%	%	%	Av	%	%	%	Av
% and averages	75.0	16.7	8.3	58.3	33.3	8.3	42.8	58.3	62.5	45.8	8.1

Volume of Business

Table E 44

Projection of Volume of Business from the Survey Population to the indexed total craft business population (Scotland)

Survey %		Total Pop.		* Projected Number		Volume (£) Banding		(£) Total Volume
50.00	x	1147	=	573	x	4,000	=	2,292,000
13.60	x	1147	=	156	x	8,500	=	1,326,000
10.53	x	1147	=	120	x	13,500	=	1,620,000
5.26	x	1147	=	60	x	18,500	=	1,110,000
5.26	x	1147	=	60	x	23,500	=	1,410,000
2.63	x	1147	=	30	x	38,500	=	1,155,000
2.63	x	1147	=	30	x	73,500	=	2,205,000
2.63	x	1147	=	30	x	118,500	=	3,555,000
2.63	x	1147	=	30	x	148,500	=	4,455,000
5.26	x	1147	=	60	x	198,500	=	11,910,000
		Total						31,038,000

* taken as lowest whole number

Ownership of Premises

Table E 48

Group of businesses owning their premises

Index No	Bus. Organisation S.P.	P.	C	Volume of Sales <6	6-25	over	Age	Dur	Category of premises A	B	C
S 7	-	x	-	-	11-15	-	33	5	-	x	-
S117	-	x	-	<6	-	-	44	3	-	-	x
H 30	x	-	-	<6	-	-	31	6	-	-	x
K 25	x	-	-	R	R	R	52	7	-	x	-
P 13	-	-	x	-	-	200	58	9	x	-	-
B 63	-	-	x	-	-	200	58	5	x	-	-
H 51	x	-	-	<6	-	-	63	1	-	x	-
W 42	-	-	x	-	-	75	48	10	-	x	-
G 6	x	-	-	<6	-	-	72	14	x	-	-
T 23	x	-	-	-	6-10	-	52	27	x	-	-
C 39	x	-	-	-	16-20	-	36	5	-	x	-
S 63	x	-	-	-	-	150	57	22	x	-	-
Y 5	-	x	-	<6	-	-	38	10	-	x	-
S120	x	-	-	<6	-	-	32	3	-	x	-
R 40	x	-	-	-	11-15	-	45	7	-	x	-
W 32	-	-	x	-	-	116	50	48	x	-	-
M117	-	x	-	<6	-	-	25	2	-	-	x
H 74	x	-	-	<6	-	-	67	7	-	x	-
M164	x	-	-	<6	-	-	30	0	-	x	-
N 11	x	-	-	-	6-10	-	51	10	-	x	-
K 2	x	-	-	R	R	R	67	27	-	x	-
T 35	x	-	-	<6	-	-	45	5	-	x	-
L 39	x	-	-	<6	-	-	48	10	-	x	-
C 89	x	-	-	<6	-	-	41	13	-	-	x
S 2	-	-	x	-	11-15	-	43	9	-	x	-
Totals	16	4	5	12/	6/	5/23	1186	265	6	15	4
% and averages	% 64.0	% 16.0	% 20.0	% 52.2	% 26.1	% 21.7	Av 47.4	Av 10.6			

A - custom
B - adapted
C - domestic

Ownership of Premises

Table E 49

Group of businesses renting their premises

Index No	Bus.Organisation S.P.	P.	C.	Volume of Sales <6	6-25	over	Age	Dur	Category of premises A	B	C
A 24	x	-	-	-	6-10	-	30	4	-	x	-
G 58	x	-	-	<6	-	-	47	4	-	x	-
H 35	-	-	x	-	-	40	43	8	x	-	-
112	x	-	-	<6	-	-	46	3	-	x	-
T 2	x	-	-	-	21-25	-	32	1	-	x	-
O 7	x	-	-	<6	-	-	59	6	-	x	-
B 88	x	-	-	-	6-10	-	32	1	-	x	-
P 12	x	-	-	-	21-25	-	50	16	-	x	-
T 65	x	-	-	<6	-	-	23	1	-	x	-
C 98	x	-	-	<6	-	-	23	1	-	x	-
A 5	x	-	-	<6	-	-	29	2	-	x	-
Totals	10	0	1	6	4	1	414	47	1	10	0
	%	%	%	%	%	%	Av	Av			
% and averages	90.9	0.0	9.1	54.5	36.4	9.1	37.6	4.3			

A - custom built
B - adapted
C - domestic

Art College Graduates

Table E 54

Group of Art College graduates											
Index No	Bus.Organisat'n			Vol.of Sales			Age	Durat.	Est.of Dev. 1977/80		
	S.P.	P.	C.	‹6	6-25	over			a	b	c
H 35	-	-	x	-	-	40	43	8	-	x	-
S 7	-	x	-	-	11-15	-	33	5	-	x	-
T 65	x	-	-	‹6	-	-	23	1	-	x	-
C 98	x	-	-	‹6	-	-	23	1	-	x	-
M117	-	x	-	‹6	-	-	25	2	-	x	-
M164	x	-	-	‹6	-	-	30	0	x	-	-
L 39	x	-	-	‹6	-	-	48	10	x	-	-
C 89	x	-	-	‹6	-	-	41	13	-	x	-
Totals	5	2	1	6	1	1	266	40	2	6	0
	%	%	%	%	%	%	Av	Av	%	%	%
% and averages	62.5	25.0	12.5	75.0	12.5	12.5	33.3	5.0	25.0	75.0	0.0

a= static
b= expand
c= contract